



PHILIP L. BROWNING
Director

County of Los Angeles
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
425 Shatto Place, Los Angeles, California 90020
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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

November 17, 2015

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

16 November 17, 2015


PATRICK OGAWA
ACTING EXECUTIVE OFFICER

Dear Supervisors:

**RECOMMENDATION TO APPROVE NEW CONTRACT FOR URINE SAMPLE COLLECTION FOR
DRUG AND ALCOHOL TESTING SERVICES WITH PACIFIC TOXICOLOGY LABORATORIES,
INC.
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

SUBJECT

The Department of Children and Family Services (DCFS) seeks to enter a contract with Pacific Toxicology Laboratories, Inc. (Pacific Toxicology) for Urine Sample Collection for Drug and Alcohol Testing Services. Drug and Alcohol Testing Services assists DCFS and the Juvenile Court in ensuring the safety of children under County supervision. Pacific Toxicology will provide the services at numerous collection sites throughout the County. Additionally, DCFS seeks delegated authority to exercise the renewal options and amendments to increase or decrease maximum contract sum, if necessary, to accommodate unanticipated increase or decrease in units of service.

IT IS RECOMMENDED THAT THE BOARD:

1. Delegate authority to the Director of DCFS, or his designee, to execute a contract, substantially similar to Attachment A, with Pacific Toxicology for Urine Sample Collection for Drug and Alcohol Testing Services. The contract term will be January 1, 2016, until December 31, 2016, with two one-year extensions at the County's option and an additional six months, through June 30, 2019, if the additional time is necessary to complete a solicitation or negotiation of a new contract. The maximum annual contract sum is \$1,540,000 and will be financed using 36 percent federal revenue, 33 percent State revenue, and 31 percent net County cost (NCC). The maximum contract sum for the contract is \$5,390,000 if all options to extend are exercised and will be financed using 36 percent Federal revenue, 33 percent State revenue, and 31 percent NCC. Sufficient funding is included in the Department's Fiscal Year (FY) 2015-16 Adopted Budget.

2. Delegate authority to the Director of DCFS, or his designee, to exercise the two one-year renewal options and the six month extension option by written notice. The Director of DCFS will notify the Board and the Chief Executive Officer (CEO) in writing within ten working days of execution of the renewals.

3. Delegate authority to the Director of DCFS, or his designee, to execute amendments to increase or decrease the maximum annual contract sum in 10% increments of the maximum contract sum, if necessary, to accommodate any unanticipated increase or decrease in units of service provided that: (a) sufficient funding is available; (b) prior County Counsel approval is obtained; and (c) the Director of DCFS notifies the Board and the CEO in writing, within 10 working days of execution.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

DCFS is frequently ordered to provide drug and alcohol testing for families under its supervision by the Juvenile Court. The County will realize significant cost savings by awarding the contract to Pacific Toxicology as the lowest bidder.

This service provides DCFS and the Juvenile Court with a tool to assist in determining whether children are safe in the home of their parents or caregivers or can be safely returned to their parents or caregivers. Drug and alcohol testing services assists in reducing the number of children requiring placement in out-of-home care and assists in the timely reunification of families. This is consistent with DCFS' goals to improve Child Safety, Permanency, and Access to Effective and Caring Services. If the recommended actions are not approved, drug and alcohol testing will not be readily available at the volume needed. The safety of the children under DCFS' supervision in the homes of parents and caregivers with a history of drug and alcohol abuse and the efforts to return them to such homes quickly will be compromised.

The current contract with Pacific Toxicology expires on December 31, 2015. The new contract will continue to provide Drug and Alcohol Testing Services for a substantial number of parents and primary caregivers whose drug and alcohol consumption may impair their ability to care for their children. The Urine Sample Collection for Drug and Alcohol Testing Services are expected to assist DCFS in achieving outcomes designed to ensure the safety of children in its care. As changes in units of service may occur during the contract period, DCFS needs the flexibility to execute contract amendments that would increase or decrease the contract amount in 10% increments of the maximum contract sum, based on any increase or decrease in units of service.

The services will be provided at numerous collection sites throughout the County with locations in all eight Service Planning Areas.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan Goal No. 3, Integrated Services Delivery: Recommendations that support the protection of youth within County systems.

FISCAL IMPACT/FINANCING

The Maximum Annual Contract Sum for the one-year contract is \$1,540,000.00. The contract cost will be funded by 36 percent (\$554,400.00) federal revenue, 33 percent (\$508,200.00) State revenue, and 31 percent (\$477,400.00) NCC. The maximum contract sum if all options to extend are exercised is \$5,390,000 and will be financed using 36 percent (\$1,940,000.00) federal revenue, 33 percent (\$1,778,700.00) State revenue, and 31 percent (\$1,670,900.00) NCC. Sufficient funding is included in the Department's FY 2015-16 Adopted Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The contract is authorized under California Department of Social Services (CDSS), Manual of Policies and Procedures Section 23-601.

The Department has evaluated these services and determined that the Living Wage Ordinance (County Code Chapter 2.201) does not apply to the contract.

The Department has determined that a Cost-of-Living Adjustment (COLA) provision was not required for this new contract.

Pacific Toxicology complies with all Federal, State, County, and Board requirements, and no provision for automatic cost of living increases is included in this contract.

The contract includes language stipulating the County has no obligation to pay for expenditures beyond the contract amount. Further, Pacific Toxicology will not be asked to perform services that exceed the contract amount, scope of work or contract effective dates.

The Chief Executive Office and County Counsel have reviewed the Board letter and the attached contract. The new contract has been approved as to form by County Counsel.

CONTRACTING PROCESS

DCFS followed all applicable County procedures in conducting this solicitation. DCFS released an advertisement for the Invitation for Bids (IFB) for Urine Sample Collection for Drug and Alcohol Testing Services on December 15, 2014. The IFB was placed in four newspapers of general circulation (Los Angeles Times, LA Opinion, LA Sentinel, and Hoy) and was posted on the County and DCFS websites. Registered vendors were also notified via the County's Webven. Eight interested firms attended the Mandatory Bidders Conference on January 5, 2015. On March 12, 2015, DCFS received bids from five vendors as follows, with Pacific Toxicology submitting the lowest bid:

No.	Name of Bidder	*Urine Testing for Both Alcohol and Drugs	*Urine Testing for Alcohol
1.	Pacific Toxicology Laboratories	\$13.75	\$8.50
2.	Norchem	\$14.25	\$12.00
3.	Treatment Assessment Screening Center	\$25.00	\$16.24
4.	Phamatech	\$16.75	\$11.00
5.	Norton Medical Industries	\$29.50	\$35.95

*Cost Per Sample. Bids were compared based on a projection of 8300 tests per month for both alcohol and drugs, 100 tests for alcohol only, and 100 D/L isomer tests. On March 31, 2015, after reviewing the documents submitted with each bid, DCFS contacted Pacific Toxicology because their bid did not include audited financial statements for the previous three years as directed by the IFB; but rather only included a balance sheet and statement of earnings for the years 2012 through 2014. Pacific Toxicology responded by submitting an audited financial statement for 2013 and informed DCFS that the 2014 audited financial statement is being finalized by their CPA and will be made available in the first week of May 2015. Pacific Toxicology

explained that they did not have the audited financial statements prepared for 2012 because they had not been required to prepare one at the time. On May 5, 2015, Pacific Toxicology provided DCFS with their audited financial statement for 2014. All financial documents submitted by Pacific Toxicology were marked as "confidential" as permitted in the IFB instructions. DCFS was able to determine that Pacific Toxicology was a responsible vendor by relying on the two years of audited financial statements provided, the balance sheet and statement of earnings for 2012-2014, and their record of past performance. As a result, DCFS waived the missing third year of audited financial statement as permitted in the IFB document. On May 26, 2015, DCFS informed the bidders that Pacific Toxicology had been determined to be the lowest priced responsive and responsible bidder. On June 16, 2015, the third lowest bidder, Treatment Assessment Screening Center, Inc., (TASC) initiated the County's IFB protest process, which subsequently escalated to the County Independent Review. Under the County's IFB protest process, a non-selected bidder is required to demonstrate that but for an error on the part of the County, the non-selected bidder would have been the lowest priced, responsive and responsible bidder. TASC's protest centered on the fact that Pacific Toxicology did not submit three years of audited financial statements as directed in the IFB and that DCFS did not release the audited financial statements to TASC for their inspection. DCFS provided TASC redacted copies of Pacific Toxicology's financial documents in response to a request under the Public Records Act because Pacific Toxicology had marked the documents as confidential as permitted by the IFB. On August 15, 2015, the County Independent Reviewer issued its findings and recommendations regarding TASC's protest of the IFB process. The Independent Reviewer agreed that Pacific Toxicology had failed to submit three years of audited financial statements and recommended that if DCFS wished to proceed with contracting with Pacific Toxicology, DCFS should evaluate the effect the excluded costs would have had on the bid and whether this would have changed the outcome of the IFB. In accordance with the Independent Reviewers recommendation, DCFS has determined that, in light of the size and scope of Pacific Toxicology's operations, even if they had incurred additional expenses to obtain a third audited financial statement, this would not have affected their bid price to collect and test an individual sample. Further, in light of the fact that Pacific Toxicology's bid was 18% lower than TASC for an individual drug and alcohol test, the additional cost would not have changed the outcome of the IFB process. As a result, DCFS has determined that Pacific Toxicology is the lowest cost responsive and responsible bidder and recommends that the contract be awarded to Pacific Toxicology.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommended actions will provide a valuable tool for assessing drug and alcohol use by parents and primary caregivers of children brought to the attention of DCFS. The new contract will also increase the use of information technology, eliminates transmission of referrals and requests for testing via facsimile, adds the ability for DCFS clients to test at any of the contractor's collection sites, and allows each assigned DCFS caseworker and their supervisor immediate access to test results. Additionally, the assigned caseworkers will realize a workload reduction when a client needs to change a collection site location as additional paperwork will not need to be completed by the caseworker.

CONCLUSION

Upon Board approval, the Acting Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to DCFS:

The Honorable Board of Supervisors

11/17/2015

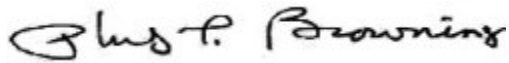
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Department of Children and Family Services

Attention: Leticia Torres-Ibarra, Contracts Division Manager

425 Shatto Place, Room 400 Los Angeles, CA 90020

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Philip L. Browning". The signature is written in a cursive, flowing style.

PHILIP L. BROWNING

Director

PLB:EM

LTI:EO

Enclosures

c: Chief Executive Officer
Interim County Counsel
Acting Executive Officer, Board of Supervisors

COUNTY OF LOS ANGELES



PACIFIC TOXICOLOGY LABORATORIES, INC.

**Department of Children and Family Services (DCFS)
Contracts Administration
425 Shatto Place, Room 400
Los Angeles, California 90020**

JANUARY 1, 2016

COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
URINE SAMPLE COLLECTION FOR DRUG AND ALCOHOL TESTING SERVICES CONTRACT

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LIST OF EXHIBITS:

- EXHIBIT A: STATEMENT OF WORK
- Exhibit A-1: Performance Requirements Summary
- Exhibit A-2: User Complaint Report
- Exhibit A-3: Sample DCFS Forms
- Exhibit A-4: Listing of 21 Designated Zip Code Areas for Collection Sites: Monday-Friday

- Exhibit A-5: Lising of Eight Designated Zip Code Areas for Collection Sites: Saturday or Sunday
- Exhibit A-6: Listing of Los Angeles County DCFS Regional Offices by SPA
- Exhibit A-7: Proposer Form for Listing of Collection Sites
- Exhibit A-8: Sample of Vendor Invoice
- Exhibit B-1: Bid Price
- Exhibit B-2: Line Item Budget
- Exhibit C: CONTRACTOR's Equal Employment Opportunity (EEO) Certification
- Exhibit D: Small Business Enterprise (SBE) / Community Business Enterprise (CBE) Form
- Exhibit E-1: CONTRACTOR Acknowledgement and Confidentiality Agreement
- Exhibit E-2: CONTRACTOR Employee Acknowledgement and Confidentiality Agreement
- Exhibit F-1: Auditor-Controller Contract Accounting and Administration Handbook
- Exhibit F-2: OMB A-122:
http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a122/a122_2004.pdf
- Exhibit F-3: 45 CFR 74.27:
<http://www.gpo.gov/fdsys/pkg/CFR-2003-title45-vol11/pdf/CFR-2003-title45-vol11-sec74-27.pdf>
- Exhibit G: Internal Revenue Notice 1015
- Exhibit H: Jury Service Program Certification and Los Angeles County Code 2.203 (Jury Service Program)
- Exhibit I: Safely Surrendered Baby Law Fact Sheet
- Exhibit J: CONTRACTOR's Administration
- Exhibit K: COUNTY's Administration
- Exhibit L: Charitable Contributions Certification
- Exhibit M: Disabled Veterans Business Enterprise Preference Program (DVBE)

**COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES
URINE SAMPLE FOR DRUG AND ALCOHOL TESTING SERVICES CONTRACT**

Urine Sample/Drug and Alcohol Testing Services (hereinafter referred to as "Contract").

This Contract is made and entered into this 1st day of January 2016, by and between

County of Los Angeles
hereinafter referred to as "COUNTY"

and

Pacific Toxicology Laboratories, Inc.
hereinafter referred to as "CONTRACTOR."

RECITALS

WHEREAS, pursuant to Government Code Sections 26227, 31000 and 53703, COUNTY is permitted to contract for services, and

WHEREAS, the COUNTY desires to provide funding for urine sample for drug and alcohol testing services; and

WHEREAS, the CONTRACTOR is a private company engaged in providing urine sample for drug and alcohol testing services; and

WHEREAS, this contract shall provide services pursuant to the provisions of State Assembly Bill 84; and

WHEREAS, this contract shall provide services pursuant to the provisions of the Office of Management and Budget (OMB) Circular A-122; and

WHEREAS, the CONTRACTOR warrants that it possesses the competence, expertise and personnel necessary to provide such services; and for the purpose of this Contract, considers itself a sub-recipient insofar as compliance with Office of the Management and Budget (OMB) Circular A-133 and

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions set forth herein, the parties hereto do agree as follows:

PART I: UNIQUE TERMS AND CONDITIONS

1.0 APPLICABLE DOCUMENTS AND DEFINED TERMS

- 1.1 This Contract and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, which supersedes all previous agreements, written or oral, and all other communications between the parties relating to the subject matter of this Contract. No change to this Contract shall be valid unless prepared pursuant to Part II, "Changes and Amendments" and signed by both parties.
- 1.2 Exhibits A, A-1, A-2, A-3, A-4, A-5 A-6, A-7, A-8, B-1, B-2, C, D, E, F-1, F-2, F-3, G, H, I, J, K, L, and M) are attached to and incorporated by reference in this Contract.
- 1.3 The headings, page numbers, sections, and sub-section numbers contained in this Contract are for convenience and reference only and are not intended to define the scope of any provision herein.
- 1.4 In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, contents or description of any task, deliverable, product, service, or other work between this Contract, Statement of Work, and Exhibits, or among Exhibits, said conflict or inconsistency shall be resolved by giving precedence in the following order: (1) Contract, (2) Exhibit A, Statement of Work, and (3) Exhibits.
- 1.5 The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used:
 - A. "Chief Executive Office" or "Chief Executive Officer" - means the office/position established to assist the Board of Supervisors in handling administrative details of the COUNTY.
 - B. "Contract" – means an agreement executed between COUNTY and CONTRACTOR. It sets forth the terms and conditions for the issuance and performance of Exhibit A, Statement of Work.
 - C. "CONTRACTOR" – means the sole proprietor, partnership, or corporation that has entered into a contract with the COUNTY to perform or execute the work covered by Exhibit A, Statement of Work.
 - D. "COUNTY" – means the County of Los Angeles and includes the Department of Children and Family Services.
 - E. "COUNTY's Board of Supervisors" - means the governing body of the County of Los Angeles.

- F. "COUNTY Program Manager" – means the COUNTY representative responsible for daily management of contract operation and the oversight of monitoring activities, compliance with the requirements of the Contract, and the delivery of services.
- G. "Day" or "Days" – means, whether singular or plural, whether with initial letter capitalized or not, calendar day(s) and not business or workday(s), unless otherwise specifically stated.
- H. "DCFS" – means COUNTY's Department of Children and Family Services.
- I. "Director" - means COUNTY's Director of the Department of Children and Family Services or his authorized designee.
- J. "Fiscal Year(s)" - means the 12 month period beginning July 1st and ending the following June 30th.
- K. "Maximum Contract Sum" - means the total amount to be paid under this contract.
- L. "Participant" - means a person who partakes of the services the CONTRACTOR is obligated to perform for COUNTY under this contract.
- M. "Program" - means the work to be performed by CONTRACTOR as defined in Exhibit A, Statement of Work.
- N. "Subcontract" - means a contract by which a third party agrees to provide services or materials necessary to fulfill an original contract.
- O. "State" - means the government of California.

2.0 TERM

- 2.1 The term of this Contract shall commence on January 1, 2016 and shall expire on December 31, 2016, unless terminated earlier or extended, in whole or in part, as provided in this Contract.
- 2.2 The COUNTY shall have the sole option to extend the Contract term for up to two (2) additional one-year periods for a maximum total Contract term of three (3) years. Each such option and extension shall be exercised at the sole discretion of the Director, by Amendment or written notice to the CONTRACTOR.

- 2.3 COUNTY will issue a written start work notice to CONTRACTOR indicating when services under this Contract can begin. CONTRACTOR shall not begin any services under this Contract without such written start work notice from the COUNTY. COUNTY has the right to issue a written stop work order whenever the COUNTY deems that it is in its best interest to do so, and CONTRACTOR shall stop work immediately upon receipt of such written stop work notice.
- 2.4 CONTRACTOR shall notify COUNTY when this Contract is within six months from the expiration of the term. Upon occurrence of this event, CONTRACTOR shall send written notification to the COUNTY Program Manager at the address herein provided in Exhibit K, COUNTY's Administration.

3.0 CONTRACT SUM

- 3.1 The Maximum Contract Sum for this contract is One million five hundred and forty thousand dollars (\$1,540,000).
- 3.2 COUNTY and CONTRACTOR agree that this is a firm-fixed priced Contract not to exceed the Maximum Contract Sum. During the term of this Contract, COUNTY shall compensate CONTRACTOR, as specified in Exhibit B-1, Bid Price for the services set forth in Exhibit A, Statement of Work, in accordance with Part I, Section 6.0, Invoices and Payments, of this Contract.
- 3.3 CONTRACTOR shall have no claim against COUNTY for, nor be entitled to, payment or reimbursement for any tasks or services performed, nor for any incidental or administrative expenses whatsoever incurred in or incidental to performance hereunder, except as specified herein. Assumption or takeover of any of the CONTRACTOR's duties, responsibilities, or obligations, or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever, shall occur only with the COUNTY's express prior written approval.
- 3.4 CONTRACTOR shall have no claim against COUNTY for, nor be entitled to payment of any money or reimbursement, of any kind whatsoever, for any service provided by CONTRACTOR after the expiration or other termination of this Contract. Should CONTRACTOR receive any such payment, CONTRACTOR shall immediately notify COUNTY and shall immediately repay all such funds to COUNTY. Payment by COUNTY for services rendered after expiration/termination of this Contract shall not constitute a waiver of COUNTY's right to recover such payment from CONTRACTOR. This provision shall survive the expiration or other termination of this Contract.

- 3.5 CONTRACTOR shall maintain a system of record keeping that will allow CONTRACTOR to determine when it has incurred 75 percent of the total contract authorization under this Contract. Upon occurrence of this event, CONTRACTOR shall send written notification to the COUNTY at the address herein provided in Exhibit K, COUNTY's Administration as stated in Part I, Unique Terms and Conditions, Section 10, Notices.
- 3.6 CONTRACTOR has prepared and submitted to COUNTY a Line Item Budget, hereinafter referred to as "Budget," segregating direct and indirect costs and profit for the work to be performed by CONTRACTOR. Budgeted expenses shall be reduced by applicable CONTRACTOR revenues, which are identified thereon. The line items shall provide sufficient detail to determine the quality and quantity of services to be delivered. This Budget is attached hereto and incorporated by reference herein as Exhibit B-2, Line Item Budget. CONTRACTOR represents and warrants that the Budget is true and correct in all respects, and shall deliver services in accordance with the Budget. In the event of a change in the Maximum Contract Sum, or a reallocation of the Budget, or a material, change to the scope of work, CONTRACTOR shall amend the Budget consistent with any changes and submit the Budget to the COUNTY Program Manager for approval.
- 3.7 Time is of the essence with regard to CONTRACTOR's performance of any tasks, deliverables, goods, services, or other work, as specified in this Contract, provided, however, the foregoing shall not be construed to limit or deprive a party of the benefits of any grace or use period allowed in this Contract.

4.0 INDEMNIFICATION

CONTRACTOR shall indemnify, defend and hold harmless the COUNTY, its Special Districts, elected and appointed officers, employees and agents and volunteers ("County Indemnities") from and against any and all liability, including, but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnities.

5.0 INSURANCE REQUIREMENTS

5.1 General Insurance Requirements

Without limiting CONTRACTOR's indemnification of the COUNTY, and in the performance of this Contract and until all of its obligations pursuant to this Contract have been met, CONTRACTOR shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Section 5.2 of this Contract. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any

other contractual obligation imposed upon CONTRACTOR pursuant to this Contract. The COUNTY in no way warrants that the Required Insurance is sufficient to protect the CONTRACTOR for liabilities which may arise from or relate to this Contract.

5.1.1 Evidence of Coverage and Notice to COUNTY: A certificate(s) of insurance coverage (Certificate) satisfactory to COUNTY, and a copy of an Additional Insured endorsement confirming COUNTY and its Agents (defined below) has been given Insured status under the CONTRACTOR's General Liability policy, shall be delivered to COUNTY at the address shown below and provided prior to commencing services under this Contract.

Renewal Certificates shall be provided to COUNTY not less than 10 days prior to CONTRACTOR's policy expiration dates. The COUNTY reserves the right to obtain complete, certified copies of any required CONTRACTOR and/or Sub-Contractor insurance policies at any time.

Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Contract by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the CONTRACTOR identified as the contracting party in this Contract. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any COUNTY required endorsement forms.

Neither the COUNTY's failure to obtain, nor the COUNTY's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the CONTRACTOR, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions

Certificates and copies of required endorsement shall be sent to:

County of Los Angeles
Department of Children and Family Services
Contracts Administration
Attention: Contract Administrator
425 Shatto Place, Room 400
Los Angeles, CA 90020

CONTRACTOR also shall promptly report to COUNTY any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to CONTRACTOR. CONTRACTOR also shall promptly notify COUNTY of any third party claim or suit filed against CONTRACTOR or any of its Sub-Contractors which arises from or relates to this Contract, and could result in the filing of a claim or lawsuit against CONTRACTOR and/or COUNTY.

- 5.1.2 Additional Insured Status and Scope of Coverage: The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under CONTRACTOR's General Liability policy with respect to liability arising out of CONTRACTOR's ongoing and completed operations performed on behalf of the COUNTY. COUNTY and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the CONTRACTOR's acts or omissions, whether such liability is attributable to the CONTRACTOR or to the COUNTY. The full policy limits and scope of protection also shall apply to the COUNTY and its Agents as an additional insured, even if they exceed the COUNTY's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.
- 5.1.3 Cancellation of or changes in Insurance: CONTRACTOR shall provide COUNTY with, or CONTRACTOR'S insurance policies shall contain a provision that COUNTY shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to COUNTY at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the COUNTY, upon which the COUNTY may suspend or terminate this Contract.
- 5.1.4 Failure to Maintain Insurance: CONTRACTOR's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which COUNTY immediately may withhold payments due to CONTRACTOR, and/or suspend or terminate this Contract. COUNTY, at its sole discretion, may obtain damages from CONTRACTOR resulting from said breach. Alternatively, the County may purchase the Required Insurance, and

without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

- 5.1.5 Insurer Financial Ratings: Coverage shall be placed with insurers acceptable to the COUNTY with A.M. Best ratings of not less than A:VII unless otherwise approved by COUNTY.
- 5.1.6 CONTRACTOR's Insurance Shall Be Primary: CONTRACTOR's insurance policies, with respect to any claims related to this Contract, shall be primary with respect to all other sources of coverage available to CONTRACTOR. Any COUNTY maintained insurance or self-insurance coverage shall be in excess of and not contribute to any CONTRACTOR coverage.
- 5.1.7 Waivers of Subrogation: To the fullest extent permitted by law, the CONTRACTOR hereby waives its rights and its insurer(s)' rights of recovery against COUNTY under all the Required Insurance for any loss arising from or relating to this Contract. The CONTRACTOR shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.
- 5.1.8 Deductibles and Self-Insured Retentions (SIRs): CONTRACTOR's policies shall not obligate the COUNTY to pay any portion of any CONTRACTOR deductible or SIR. The COUNTY retains the right to require CONTRACTOR to reduce or eliminate policy deductibles and SIRs as respects the COUNTY, or to provide a bond guaranteeing CONTRACTOR's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.
- 5.1.9 Claims Made Coverage: If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Contract. CONTRACTOR understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Contract expiration, termination or cancellation.
- 5.1.10 Application of Excess Liability Coverage: CONTRACTORs may use a combination of primary, and excess insurance policies which provide coverage as broad as ("follow form" over) the underlying primary policies, to satisfy the Required Insurance provisions.
- 5.1.11 Separation of Insureds: All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance

Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

5.1.12 Alternative Risk Financing Programs: The COUNTY reserves the right to review, and then approve, CONTRACTOR use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The COUNTY and its Agents shall be designated as an Additional Covered Party under any approved program.

5.1.13 COUNTY Review and Approval of Insurance Requirements: The COUNTY reserves the right to review and adjust the Required Insurance provisions, conditioned upon COUNTY's determination of changes in risk exposures.

5.2 Insurance Coverage Requirements:

5.2.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming COUNTY and its Agents as an additional insured, with limits of not less than:

General Aggregate: \$2 million

Products/Completed Operations Aggregate: \$1 million

Personal and Advertising Injury: \$1 million

Each Occurrence: \$1 million

5.2.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of CONTRACTOR's use of autos pursuant to this Contract, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

5.2.3 Workers' Compensation and Employer's Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If CONTRACTOR will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the COUNTY as the Alternate Employer, and the endorsement form shall be modified to provide that COUNTY will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to CONTRACTOR's operations, coverage also shall be arranged to satisfy

the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

5.2.4 Professional Liability: Insurance covering CONTRACTOR's liability arising from or related to this Contract, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, CONTRACTOR understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this Agreement's expiration, termination or cancellation.

6.0 INVOICES AND PAYMENTS

- 6.1 For work performed in accordance with the terms of this Contract and Statement of Work, and as determined by COUNTY, CONTRACTOR shall invoice COUNTY monthly in arrears at the rate of compensation specified in the Pricing Schedule, as supported by the Budget, and in the format prescribed by the COUNTY. CONTRACTOR shall be paid only for the work performed as specified in the Contract and any amendments thereto.
- 6.2 CONTRACTOR, without prior approval of COUNTY, may reallocate up to a maximum of five (5) percent of the Maximum Contract Sum between categories (i.e., personnel, employee benefits, supplies and expenses, equipment, travel and indirect costs) of CONTRACTOR's approved Budget. CONTRACTOR shall request COUNTY's approval in writing for line item budget reallocations above the five (5) percent maximum. In any event, such revisions shall not result in any increase in the Maximum Contract Sum. Such requests to COUNTY shall be addressed to the COUNTY Program Manager.
- 6.3 CONTRACTOR shall submit an invoice in arrears for services rendered in the previous month. CONTRACTOR shall make its best efforts to submit all invoices within 30 days of the last day of the month in which the service was rendered. Any invoice submitted more than 30 days after the last day of the month in which the services were rendered shall constitute a "past due invoice." Past due invoices shall be submitted no later than 60 days after the last day of the month in which the services were rendered. Notwithstanding any other provision of this Contract, CONTRACTOR and COUNTY agree that the COUNTY shall have no obligation whatsoever to pay any past due invoices which are submitted more than 60 days after the last day of the month in which the services were rendered. COUNTY may, in its sole discretion, pay some or all of a past due invoice which CONTRACTOR has submitted more than 60 days after the last day of the month in which services were rendered provided sufficient funds remain available under this Contract. These same time frames shall also apply to the submission of the CONTRACTOR's final invoice.
- 6.4 Whether or not federal dollars will be used to pay for services under this Contract, expenditures made by CONTRACTOR in the operation of this

Contract shall be in compliance and in conformity with the Office of Management and Budget (OMB) Circular, A-122. CONTRACTOR is responsible for obtaining the most recent version of the OMB Circulars which are available online via the Internet at <http://www.whitehouse.gov/omb/circulars/index.html>.

- 6.5 CONTRACTOR shall submit the original monthly invoice to the DCFS Accounting Services and one copy to the COUNTY Program Manager for review and approval, as follows:

County of Los Angeles
Department of Children and Family Services
Attention: Accounting Services, Contract Accounting Section
425 Shatto Place, Room 204
Los Angeles, CA 90020

And a duplicate copy of the invoices to:

County of Los Angeles,
Department of Children and Family Services
Attention: Donna Fernandez, Program Manager
425 Shatto Place, Room 500
Los Angeles, CA 90020
Telephone: (213) 351-5714
E-Mail: fernandc@dcfs.lacounty.gov

- 6.6 Payment to CONTRACTOR will be made in arrears on a monthly basis for services performed, provided that the CONTRACTOR is not in default under any provision of this Contract. COUNTY has no obligation to pay for any work except those services expressly authorized by this Contract.
- 6.7 In compliance with Internal Revenue Service (IRS) requirements, CONTRACTOR shall provide CONTRACTOR's Tax Identification Number. Furthermore, the Tax Identification Number is necessary for processing payment, as required by the County Auditor-Controller.
- 6.8 CONTRACTOR is responsible for the accuracy of invoices submitted to COUNTY. Further, it is the responsibility of CONTRACTOR to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted by CONTRACTOR and to notify COUNTY of any overpayments received by CONTRACTOR. Any overpayment received by CONTRACTOR, as determined by COUNTY Program Manager, or designee, shall be returned to COUNTY by CONTRACTOR within 30 days of receiving notification of such overpayment from the COUNTY, or may be set off at COUNTY's election against future payments due CONTRACTOR. Notwithstanding any other provision of this Contract, CONTRACTOR shall return to COUNTY any and all

payments, which exceed the Maximum Contract Sum. Furthermore, CONTRACTOR shall return said payments within 30 days of receiving notification of overpayment from the COUNTY or immediately upon discovering such overpayment, whichever date is earlier.

- 6.8.1 Interest charges pertaining to notification of incorrect specified payments, which are defined as Overpayments will be governed by MPP 45-305.3.33 and 45-306, inclusive. Interest on defined Overpayments shall be collected and interest assessed as set forth in MPP 45-305.3.34 and MPP 11-402.66 inclusive, and any other related State regulations pertaining to the application of interest for Overpayments.
- 6.8.2 If COUNTY identifies an Overpayment, governed by MPP 45-304 through 45-306 and 11-404, inclusive, COUNTY will comply with MPP 45-304.1.122 and 126. COUNTY will provide CONTRACTOR with State Form Notice of Action 1261 as required by MPP 45-305.1 and a voluntary repayment agreement for the overpaid amount identified by CONTRACTOR. The repayment agreement will be in compliance with MPP 45-305.2.231 (a)-(d).
- 6.8.3 In the event COUNTY discovers a payment made to CONTRACTOR which can be defined as an Overpayment, for incorrect or inaccurate invoices for which CONTRACTOR was paid or amounts expended not in conformity with MPP 11-404, inclusive, as defined and governed by MPP 45-304.1.11, 45-304 through 45-306 and 11-404, inclusive, during the term or discovered within five (5) years after expiration of the contract or contract extension, COUNTY, after review of MPP 45-304.1.126 and 45-304.4, will issue CONTRACTOR a written State Form Notice of Action 1261 on collectible amount.
- 6.8.4 Thereafter, CONTRACTOR and COUNTY shall attempt to resolve the Overpayment prior to any informal or formal action taken by CONTRACTOR. If resolved voluntarily in favor of COUNTY, CONTRACTOR'S voluntary agreement to repay shall be in compliance with MPP 45-305.2.21 through 45-305.23.231(a)-(b).
- 6.8.5 If not resolved voluntarily, COUNTY may institute involuntary collection remedies pursuant to MPP 45-305.3 and Overpayment recoupment actions required by MPP 45-304.3. CONTRACTOR may request an informal hearing and/or State fair hearing, or both, as provided pursuant to MPP 45-306.1 through .3, inclusive. CONTRACTOR will have thirty (30) Days from the date COUNTY mails the State Form Notice of Action 1261 to request the informal hearing.

- 6.8.6 If the informal hearing is requested, COUNTY will conduct an informal hearing in accordance with the procedures set forth in MPP 45-306.1 through .2, inclusive. CONTRACTOR, if forgoing an informal hearing, must request the State fair hearing within ninety (90) Days from the date COUNTY mailed the State Form Notice of Action 1261.
- 6.8.7 If CONTRACTOR has requested an informal hearing and desires a State Fair Hearing, CONTRACTOR must request the State Fair Hearing within ninety (90) Days of the date that CONTRACTOR did not appear at the informal hearing, the date of the informal decision by COUNTY, or the date of withdrawal of request for informal hearing, whichever is earlier. Once due process has expired or administrative remedies are exhausted in favor of COUNTY, COUNTY may seek additional recourse for collection in compliance with MPP 45-304 through 45-306, inclusive, including interest and other remedies as set forth in the CONTRACT, by and between COUNTY and CONTRACTOR.
- 6.8.8 In matters involving Overpayments, governed by MPP 45-304 through 45-306 and 11-404 inclusive, and if the amount is determined collectible, CONTRACTOR will have thirty (30) Days from the date of COUNTY'S mailing of a State Form Notice of Action 1261, to request an informal hearing. The informal hearing process, if elected by CONTRACTOR, will be compliant with hearing procedures set forth in MPP 45-306.1 through 3. CONTRACTOR may, at its election, forgo an informal hearing and request a State Fair Hearing within ninety (90) Days from the date of COUNTY'S mailing of State Form Notice of Action 1261. If CONTRACTOR has requested an informal hearing and desires a State Fair Hearing, CONTRACTOR must request the State Fair Hearing within ninety (90) Days of the date that CONTRACTOR did not appear at the informal hearing, the date of the informal decision by COUNTY, or the date of withdrawal of request for informal hearing, whichever is earlier. Failure to meet the respective time periods to request a hearing, either informal or formal, shall foreclose requests for due process set forth in MPP 45-306.1 through .3, and will result in the collection by COUNTY pursuant to MPP 45-304 through 45-305 and 11-402.66, inclusive, including the implementation of additional contractual actions set forth in this Contract.
- 6.9 CONTRACTOR is responsible for the accuracy of all invoices submitted to COUNTY. It is the responsibility of CONTRACTOR to reconcile or otherwise correct inaccuracies or inconsistencies in the invoices submitted and to notify COUNTY within thirty (30) Days of the receipt of any payment that is incorrect.
- 6.9.1 All correspondence regarding payment errors shall be sent by either facsimile or first class mail, or by electronic mail.

- 6.9.2 In the event CONTRACTOR identifies an excess payment made by COUNTY, CONTRACTOR shall notify COUNTY by written notice and upon written confirmation by COUNTY of the excess payment amount, CONTRACTOR shall return all excess payments within thirty (30) Days to:

County of Los Angeles
Department of Children and Family Services
Attention: Accounting Services, Contract Accounting Section
425 Shatto Place, Room 204
Los Angeles, CA 90020

And a duplicate copy of the notices/payment to:

County of Los Angeles,
Department of Children and Family Services
Attention: Donna Fernandez, Program Manager
425 Shatto Place, Room 500
Los Angeles, CA 90020
Telephone: (213) 351-5714
Email: fernandc@dcfs.lacounty.gov

- 6.9.3 CONTRACTOR shall return the excess payment to COUNTY, or enter into a payment agreement with COUNTY, to repay the excess amount received, within another mutually agreed upon time frame. CONTRACTOR may register a notice of dispute with accompanying documents to:

DCFS Finance Services Division,
Contract Accounting Section
425 Shatto Place, Room 204
Los Angeles, CA 90020

- 6.9.4 If CONTRACTOR registers a notice of dispute pursuant to this Subsection, collection efforts will be suspended at that time until a final resolution to the appeal has been made. The Division Chief will evaluate the adequacy of the CONTRACTOR's written response within 25 calendar days of DCFS' receipt of CONTRACTOR's written response, and will provide CONTRACTOR with DCFS' written response, which sets forth the required DCFS CAP. Should CONTRACTOR disagree with the contents of the CAP, CONTRACTOR shall submit a response to it within fifteen (15) business days to DCFS Fiscal Monitoring Section. DCFS will review the CONTRACTOR's response to the CAP and issue a final Required CAP within five (5) calendar days.

- 6.10 CONTRACTOR shall not be paid for expenditures beyond the Maximum Contract Sum, and CONTRACTOR agrees that COUNTY has no obligation, whatsoever, to pay for any expenditures by CONTRACTOR that exceed the Maximum Contract Sum.
- 6.11 Suspension and withholding of payment. In addition to other remedies, COUNTY reserves the right to suspend or withhold all payments to CONTRACTOR if required reports are not provided to COUNTY on a timely basis; if there are continuing deficiencies in CONTRACTOR's reporting, record keeping or invoicing requirements; or if CONTRACTOR's performance of the work is not adequately evidenced or performed.
- 6.11.1 COUNTY has the right to delay payment or not make payment, per MPP 45-303.2 -.5, inclusive, and condition CONTRACTOR'S payments on timely submittal of invoices and the provision of requested information, by a date certain. Delay in providing this information as set forth, may result in delay of payment, not to exceed fifteen (15) Days from the date after the information is submitted to COUNTY, including relevant verifications, upon COUNTY request. The failure to provide required confirmation may result in COUNTY not making payment.
- 6.11.2 CONTRACTOR shall return the excess payment to COUNTY, or enter into a payment agreement with COUNTY, to repay the excess amount received, within another mutually agreed upon time frame. CONTRACTOR may register a notice of dispute with accompanying documents to:
- DCFS Finance Services Division,
Contract Accounting Section
425 Shatto Place, Room 204
Los Angeles, CA 90020
- 6.11.3 If CONTRACTOR registers a notice of dispute pursuant to this Subsection, collection efforts will be suspended at that time until a final resolution to the appeal has been made. The Division Chief will evaluate the adequacy of the CONTRACTOR's written response within 25 calendar days of DCFS' receipt of CONTRACTOR's written response, and will provide CONTRACTOR with DCFS' written response, which sets forth the required DCFS CAP. Should CONTRACTOR disagree with the contents of the CAP, CONTRACTOR shall submit a response to it within fifteen (15) business days to DCFS Fiscal Monitoring Section. DCFS will review the CONTRACTOR's response to the CAP and issue a final Required CAP within five (5) calendar days.

- 6.12 CONTRACTOR shall not be paid for expenditures beyond the Maximum Contract Sum, and CONTRACTOR agrees that COUNTY has no obligation, whatsoever, to pay for any expenditures by CONTRACTOR that exceed the Maximum Contract Sum.
- 6.13 Suspension and withholding of payment. In addition to other remedies, COUNTY reserves the right to suspend or withhold all payments to CONTRACTOR if required reports are not provided to COUNTY on a timely basis; if there are continuing deficiencies in CONTRACTOR's reporting, record keeping or invoicing requirements; or if CONTRACTOR's performance of the work is not adequately evidenced or performed.

7.0 BACKGROUND AND SECURITY INVESTIGATIONS

- 7.1 Each of Contractor's staff performing services under this Contract who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local and federal-level review, which may include, but shall not be limited to criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.
- 7.2 If a member of CONTRACTOR's staff does not pass the background investigation, COUNTY may request that the member of CONTRACTOR's staff be immediately removed from performing services under the Contract at any time during the term of the Contract. COUNTY will not provide to CONTRACTOR or to CONTRACTOR's staff any information obtained through the COUNTY's background investigation.
- 7.3 COUNTY, in its sole discretion, may immediately deny or terminate facility access to any member of CONTRACTOR's staff that does not pass such investigation to the satisfaction of the COUNTY or whose background or conduct is incompatible with COUNTY facility access.
- 7.4 Disqualification of any member of CONTRACTOR's staff pursuant to this Sub-section shall not relieve CONTRACTOR of its obligation to complete all work in accordance with the terms and conditions of this Contract.
- 7.5 CONTRACTOR shall immediately notify COUNTY of any arrest and/or subsequent conviction, other than for minor traffic offenses, of any employee, independent contractor, volunteer staff or subcontractor who may come in

contact with children while providing services under this Contract when such information becomes known to CONTRACTOR.

- 7.6 CONTRACTOR agrees not to engage or continue to engage the services of any person convicted of any crime involving harm to children, or any crime involving conduct inimical to the health, morals, welfare or safety of others, including but not limited to the offenses specified in Health and Safety Code, Section 11590 (offenses requiring registration as a controlled substance offender) and those crimes listed in the Penal Code which involve murder, rape, kidnap, abduction, assault and lewd and lascivious acts.

8.0 CONFIDENTIALITY

- 8.1 CONTRACTOR shall maintain the confidentiality of all records and information in accordance with all applicable federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, COUNTY policies concerning information technology security and the protection of confidential records and information.
- 8.2 CONTRACTOR shall inform all of its officers, employees, agents and Subcontractors providing services hereunder of the confidentiality provisions of this Contract.
- 8.3 CONTRACTOR shall sign and adhere to the provisions of Exhibit E, "Contractor Acknowledgement and Confidentiality Agreement."
- 8.4 CONTRACTOR shall notify COUNTY of any attempt to obtain confidential records through the legal process.
- 8.5 CONTRACTOR agrees to notify COUNTY in writing within 24 hours of any actual or suspected misuse, misappropriation, unauthorized disclosure of, or unauthorized access to Confidential Information that may come to CONTRACTOR's attention, and that includes unauthorized access to CONTRACTOR's computer or computers (including those of any Subcontractor involved in the Relationship) containing CONTRACTOR's or COUNTY's Confidential Information related to this Contract, including names and information of referred clients. Unauthorized access may include a virus or worm that penetrates and gains access to a computer and places a back door or keystroke logger on it, or a directed hack/crack that gains access to and some control over a computer.
- 8.6 CONTRACTOR shall indemnify, defend, and hold harmless COUNTY, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or

professional fees, arising from, connected with, or related to any failure by CONTRACTOR, its officers, employees, agents, or subcontractors, to comply with this sub-section 8.6, as determined by COUNTY in its sole judgment. Any legal defense pursuant to CONTRACTOR's indemnification obligations under this sub-section 8.6 shall be conducted by CONTRACTOR and performed by counsel selected by CONTRACTOR and approved by COUNTY. Notwithstanding the preceding sentence, COUNTY shall have the right to participate in any such defense at its sole cost and expense, except that in the event CONTRACTOR fails to provide COUNTY with a full and adequate defense, as determined by COUNTY in its sole judgment, COUNTY shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from CONTRACTOR for all such costs and expenses incurred by COUNTY in doing so. CONTRACTOR shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of COUNTY without COUNTY's prior written approval.

- 8.7 CONTRACTOR shall comply with all applicable laws pertaining to confidentiality. This shall include, but is not limited to, the confidentiality provisions of Section 827 and Section 10850 of the California Welfare and Institutions Code and MPP Division 19.

9.0 CONTRACTOR'S STAFF IDENTIFICATION

- 9.1 CONTRACTOR shall provide, at CONTRACTOR's expense, all staff providing services under this Contract with a photo identification badge.
- 9.2 CONTRACTOR shall notify the COUNTY within one (1) business day when staff is terminated from working on this Contract. CONTRACTOR shall retrieve and return an employee's ID badge to the COUNTY on the next business day after the employee has terminated employment with the CONTRACTOR.
- 9.3 If COUNTY requests the removal of CONTRACTOR's staff, CONTRACTOR shall retrieve and return an employee's ID badge to the COUNTY on the next business day after the employee has been removed from working on the COUNTY's Contract.

10.0 NOTICES

All notices or demands required or permitted to be given or made under this Contract shall be given in writing and shall be hand delivered with signed receipt or mailed by first-class or electronic mail, postage prepaid, addressed to the parties as identified in Exhibit J, CONTRACTOR's Administration and Exhibit K, COUNTY's Administration. Addresses may be changed by either party giving 10 days prior written notice thereof to the other party.

11.0 LOCAL SMALL BUSINESS ENTERPRISE PREFERENCE PROGRAM

- 11.1 This Contract is subject to the provisions of the COUNTY's ordinance entitled Local Small Business Enterprise Preference Program, as codified in Chapter 2.204 of the Los Angeles County Code.
- 11.2 CONTRACTOR shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Local Small Business Enterprise.
- 11.3 CONTRACTOR shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a COUNTY official or employee for the purpose of influencing the certification or denial of certification of any entity as a Local Small Business Enterprise.
- 11.4 If CONTRACTOR has obtained COUNTY certification as a Local Small Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this Contract to which it would not otherwise have been entitled, shall:
 - 11.4.1 Pay to the COUNTY any difference between the Contract amount and what the COUNTY's costs would have been if the Contract had been properly awarded;
 - 11.4.2 In addition to the amount described in Sub-Section 11.4.1, be assessed a penalty in an amount of not more than 10 percent of the amount of the Contract; and
 - 11.4.3 Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-Responsibility and Contractor Debarment).
- 11.5 The above penalties shall also apply if CONTRACTOR is no longer eligible for certification as a result in a change of their status and CONTRACTOR failed to notify the State and Internal Services Department of this information prior to responding to a solicitation or accepting a contract award.

12.0 DISABLED VETERAN BUSINESS ENTERPRISE PREFERENCE PROGRAM

- 12.1 This Contract is subject to the provisions of the County's ordinance entitled Disabled Veteran Business Enterprise Preference Program, as codified in Chapter 2.211 of the Los Angeles County Code.

12.2 Contractor shall not knowingly and with the intent to defraud, fraudulently obtain, retain, attempt to obtain or retain, or aid another in fraudulently obtaining or retaining or attempting to obtain or retain certification as a Disabled Veteran Business Enterprise.

12.3 Contractor shall not willfully and knowingly make a false statement with the intent to defraud, whether by affidavit, report, or other representation, to a County official or employee for the purpose of influencing the certification or denial of certification of any entity as a Disabled Veteran Business Enterprise.

12.4 If Contractor has obtained certification as a Disabled Veteran Business Enterprise by reason of having furnished incorrect supporting information or by reason of having withheld information, and which knew, or should have known, the information furnished was incorrect or the information withheld was relevant to its request for certification, and which by reason of such certification has been awarded this contract to which it would not otherwise have been entitled, shall:

1. Pay to the County any difference between the contract amount and what the County's costs would have been if the contract had been properly awarded;
2. In addition to the amount described in subdivision (1), be assessed a penalty in an amount of not more than 10 percent of the amount of the contract; and
3. Be subject to the provisions of Chapter 2.202 of the Los Angeles County Code (Determinations of Contractor Non-responsibility and Contractor Debarment).

The above penalties shall also apply to any business that has previously obtained proper certification, however, as a result of a change in their status would no longer be eligible for certification, and fails to notify the state and ISD of this information prior to responding to a solicitation or accepting a contract award.

PART II: STANDARD TERMS AND CONDITIONS

1.0 ADMINISTRATION OF CONTRACT – CONTRACTOR

1.1 CONTRACTOR's Program Director

1.1.1 CONTRACTOR's Program Director is designated in Exhibit J, CONTRACTOR's Administration. CONTRACTOR shall notify COUNTY in writing of any change in the name or address of the CONTRACTOR's Program Director.

1.1.2 CONTRACTOR's Program Director shall be responsible for CONTRACTOR's day-to-day activities as related to this Contract and shall coordinate with COUNTY Program Manager on a regular basis.

1.2 Approval of CONTRACTOR's Staff

COUNTY has the absolute right to approve or disapprove all of CONTRACTOR's staff performing work hereunder and any proposed changes in CONTRACTOR's staff, including, but not limited to, CONTRACTOR's Program Director.

2.0 ADMINISTRATION OF CONTRACT – COUNTY

A listing of all COUNTY Administration referenced in the following Sub-sections is designated in Exhibit K, COUNTY's Administration. The COUNTY shall notify the CONTRACTOR in writing of any change in the names or addresses shown.

2.1 COUNTY's Program Manager

2.1.1 The responsibilities of the COUNTY's Program Manager include:

2.1.1.1 Ensuring that the objectives of this Contract are met;

2.1.1.2 Providing direction to CONTRACTOR in the areas relating to COUNTY policy, information requirements, and procedural requirements;

2.1.1.3 Meeting with CONTRACTOR's Program Director on a regular basis; and

2.1.1.4 Inspecting any and all tasks, deliverables, goods, services, or other work provided by or on behalf of CONTRACTOR.

2.1.2 The COUNTY's Program Manager is not authorized to make any changes in any of the terms and conditions of this Contract and is not authorized to further obligate COUNTY in any respect whatsoever.

2.2 COUNTY's Contract Program Monitor

2.2.1 The COUNTY's Contract Program Monitor is responsible for overseeing the day-to-day administration of this Contract.

3.0 AMERICANS WITH DISABILITIES ACT (ADA)

The CONTRACTOR agrees to abide by all applicable federal, State and local laws including the Americans with Disabilities Act (ADA) and its requirement to provide reasonable accommodations and auxiliary aids or services, unless compliance with the ADA would place an undue financial burden on, or would fundamentally alter the nature of, the CONTRACTOR's program.

4.0 ASSIGNMENT AND DELEGATION

4.1 CONTRACTOR shall not assign its rights or delegate its duties under this Contract, or both, whether in whole or in part, without the prior written consent of COUNTY, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this sub-section, COUNTY consent shall require a written amendment to the Contract, which is formally approved and executed by the parties. Any payments by the COUNTY to any approved delegate or assignee on any claim under this Contract shall be deductible, at COUNTY's sole discretion, against the claims which the CONTRACTOR may have against the COUNTY.

4.2 Shareholders, partners, members, or other equity holders of CONTRACTOR may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment or divestment is effected in such a way as to give majority control of CONTRACTOR to any person(s), corporation, partnership or legal entity other than the majority controlling interest therein at the time of execution of the Contract, such disposition is an assignment requiring the prior written consent of COUNTY in accordance with applicable provisions of this Contract.

4.3 Any assumption, assignment, delegation or takeover of any of the CONTRACTOR's duties, responsibilities, obligations or performance of same by any entity other than the CONTRACTOR, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without COUNTY's express prior written approval, shall be a material breach of the Contract which may result in the termination of this Contract. In the event of such termination,

COUNTY shall be entitled to pursue the same remedies against CONTRACTOR as it could pursue in the event of default by CONTRACTOR.

5.0 AUTHORIZATION WARRANTY

The CONTRACTOR represents and warrants that the person executing this Contract for the CONTRACTOR is an authorized agent who has actual authority to bind the CONTRACTOR to each and every term, condition and obligation of this Contract and that all requirements of the CONTRACTOR have been fulfilled to provide such actual authority.

6.0 BUDGET REDUCTION

In the event that the COUNTY'S Board of Supervisors adopts, in any fiscal year, a COUNTY budget which provides for reductions in the salaries and benefits paid to the majority of COUNTY employees and imposes similar reductions with respect to COUNTY Contracts, the COUNTY reserves the right to reduce its payment obligation under this Contract correspondingly for that fiscal year and any subsequent fiscal year during the term of this Contract (including any extensions), and the services to be provided by the CONTRACTOR under this Contract shall also be reduced correspondingly. The COUNTY's notice to the CONTRACTOR regarding said reduction in payment obligation shall be provided within 30 days of the Board's approval of such actions. Except as set forth in the preceding sentence, the CONTRACTOR shall continue to provide all of the services set forth in this Contract.

7.0 CHANGES AND AMENDMENTS

- 7.1 COUNTY reserves the right to change any portion of the work required under this Contract, or amend such other terms and conditions, as may become necessary. Any such revision shall be accomplished as set forth in this section 7.0.
- 7.2 For any change which affects the scope of work, term of Contract, Contract Sum, payments, or any terms or conditions included under this Contract, an amendment shall be prepared by DCFS and executed by the Contractor and COUNTY's Board of Supervisors or the Director, or his designee, in the event the Director has the delegated authority from the Board of Supervisors (BOS).
- 7.3 COUNTY's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the Contract during the term of this Contract. The COUNTY reserves the right to add and/or change such provisions as required by the COUNTY's Board of Supervisors or Chief Executive Officer. To implement such changes, an Amendment to the Contract shall be prepared by DCFS and executed by the CONTRACTOR and by the Board of Supervisors or Director of DCFS if the Board of Supervisors has delegated the authority to do so.

- 7.4 The DCFS Director may sign an Amendment to this Contract without further action by the COUNTY's Board of Supervisors only under the following conditions as applicable:
- 7.4.1 The amendment shall be in compliance with applicable County, State and federal regulations; and
 - 7.4.2 The Board of Supervisors has appropriated sufficient funds in COUNTY's budget; and
 - 7.4.3 The Amendment is for a decrease, or an increase of not more than 10 percent correlated to an increase or a decrease in the number of units of service, of the original Maximum Contract Sum; and
- 7.5 The Director of DCFS or designee, may extend the Contract for an additional six months by written notification, if necessary, to complete a solicitation for a new contract.

8.0 CHILD SUPPORT COMPLIANCE PROGRAM

- 8.1 Contractor's Warranty of Adherence to County's Child Support Compliance Program
- 8.1.1 The CONTRACTOR acknowledges that the COUNTY has established a goal of ensuring that all individuals who benefit financially from the COUNTY through Contract are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the COUNTY and its taxpayers.
 - 8.1.2 As required by the COUNTY's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the CONTRACTOR's duty under this Contract to comply with all applicable provisions of law, the CONTRACTOR warrants that it is now in compliance and shall during the term of this Contract maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.2 Termination for Breach of Warranty to Maintain Child Support Compliance

Failure of the CONTRACTOR to maintain compliance with the requirements set forth in Sub-Section 8.1, "Contractor's Warranty of Adherence to County's Child Support Compliance Program," shall constitute default under this Contract. Without limiting the rights and remedies available to the COUNTY under any other provision of this Contract, failure of the CONTRACTOR to cure such default within 90 days of written notice shall be grounds upon which the COUNTY may terminate this Contract pursuant to Part II, Termination for CONTRACTOR's Default," and pursue debarment of the CONTRACTOR, pursuant to County Code Chapter 2.202.

9.0 COMMUNITY BUSINESS ENTERPRISES PROGRAM

In accordance with COUNTY policy, CONTRACTOR has submitted a true and correct copy of the Certification Application, which is attached as Exhibit D.

10.0 COMPLAINTS

- 10.1 CONTRACTOR shall develop, maintain, and operate procedures for receiving, investigating and responding to complaints.
- 10.2 Within five business days after Contract effective date, CONTRACTOR shall provide the COUNTY with the CONTRACTOR's policy for receiving, investigating and responding to user complaints.
 - 10.2.1 The COUNTY will review the CONTRACTOR's policy and provide the CONTRACTOR with approval of said plan or with requested changes.
 - 10.2.2 If the COUNTY request changes in the CONTRACTOR's policy, the CONTRACTOR shall make such changes and resubmit the plan with five business days for COUNTY approval.
 - 10.2.3 If, at any time, the CONTRACTOR wishes to change the CONTRACTOR's policy, the CONTRACTOR shall submit proposed changes to the COUNTY for approval before implementation.
- 10.3 CONTRACTOR shall preliminarily investigate all complaints and notify the COUNTY's Program Manager of the status of the investigation within five business days of receiving the complaint.
- 10.4 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.

- 10.5 Copies of all written responses shall be sent to the COUNTY's Program Manager within three business days.

11.0 COMPLIANCE WITH APPLICABLE LAWS

- 11.1 CONTRACTOR shall comply with all applicable federal, State, and local laws, rules, regulations, ordinances, and directives, guidelines, policies and procedures, and all provisions required thereby to be included in this Contract are hereby incorporated herein by reference. This includes compliance with mandatory standards and policies relating to energy efficiency in the State Energy Conservation Plan (Title 24, California Administrative Code) and compliance with Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738 and Environmental Protection Agency regulations (40 CFR Part 15). Insofar as permits and/or licenses are required for the prescribed services and/or any construction authorized herein, the same must be obtained from the regulatory agency having jurisdiction thereover.
- 11.1.1 CONTRACTOR acknowledges that this Contract will be funded, in part, with federal funds; therefore, CONTRACTOR agrees that it shall comply with all applicable federal laws and regulations pertaining to such federal funding. Said federal laws and regulations include, but are not limited to, 45 CFR Section 92.36, et seq.
- 11.1.2 For contract over \$10,000, CONTRACTOR agrees to comply fully with the terms of Executive Order 11246, entitled Equal Employment Opportunity as amended by Executive Order 11375, and as supplemented by Department of Labor Regulations (41 CFR Part 60).
- 11.2 Failure by CONTRACTOR to comply with such laws and regulations shall be a material breach of this Contract and may result in termination of this Contract.
- 11.3 CONTRACTOR shall indemnify, defend, and hold harmless COUNTY, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by CONTRACTOR, its officers, employees, agents, or subcontractors, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by COUNTY in its sole judgment. Any legal defense pursuant to CONTRACTOR's indemnification obligations under this section 12.0 shall be conducted by CONTRACTOR and performed by counsel selected by CONTRACTOR and approved by COUNTY. Notwithstanding the preceding sentence, COUNTY shall have the right to participate in any such defense at its sole cost and expense, except that in the event CONTRACTOR fails to provide COUNTY with a full and adequate

defense, as determined by COUNTY in its sole judgment, COUNTY shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from CONTRACTOR for all such costs and expenses incurred by COUNTY in doing so. CONTRACTOR shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of COUNTY without COUNTY's prior written approval.

12.0 COMPLIANCE WITH CIVIL RIGHTS LAWS

CONTRACTOR hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program or activity supported by this Contract. CONTRACTOR shall comply with Exhibit C, Contractor's Equal Employment Opportunity (EEO) Certification.

13.0 COMPLIANCE WITH JURY SERVICE PROGRAM

This Contract is subject to the provisions of the COUNTY's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code, a copy of which is attached hereto as Exhibit H, and incorporated by reference into and made a part of this Contract.

13.1 Written Employee Jury Service Policy

13.1.1 Unless CONTRACTOR has demonstrated to the COUNTY's satisfaction either that CONTRACTOR is not a "Contractor" as defined under the Jury Service Program (Section 2.203.020 of the County Code) or that CONTRACTOR qualifies for an exception to the Jury Service Program (Section 2.203.070 of the County Code), CONTRACTOR shall have and adhere to a written policy that provides that its Employees shall receive from the CONTRACTOR, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that Employees deposit any fees received for such jury service with the CONTRACTOR or that the CONTRACTOR deduct from the Employee's regular pay the fees received for jury service.

13.1.2 For purposes of this Section, "Contractor" means a person, partnership, corporation or other entity which has a contract with the COUNTY or a subcontract with a COUNTY contractor and has received or will receive an aggregate sum of Fifty Thousand Dollars

(\$50,000) or more in any 12-month period under one or more COUNTY contracts or subcontracts. "Employee" means any California resident who is a full-time employee of CONTRACTOR. "Full-time" means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the COUNTY, or 2) CONTRACTOR has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program. If CONTRACTOR uses any Subcontractor to perform services for the COUNTY under this Contract, the Subcontractor shall also be subject to the provisions of this Section. The provisions of this Subsection shall be inserted into any such subcontract contract and a copy of the Jury Service Program shall be attached to the agreement.

13.1.3 If CONTRACTOR is not required to comply with the Jury Service Program when the Contract commences, CONTRACTOR shall have a continuing obligation to review the applicability of its "exception status" from the Jury Service Program, and CONTRACTOR shall immediately notify COUNTY if CONTRACTOR at any time either comes within the Jury Service Program's definition of "Contractor" or if CONTRACTOR no longer qualifies for an exception to the Jury Service Program. In either event, CONTRACTOR shall immediately implement a written policy consistent with the Jury Service Program. The COUNTY may also require, at any time during the term of this Contract and at its sole discretion, that CONTRACTOR demonstrate to the COUNTY's satisfaction that CONTRACTOR either continues to remain outside of the Jury Service Program's definition of "Contractor" and/or that CONTRACTOR continues to qualify for an exception to the Program.

13.1.4 CONTRACTOR's violation of this Section of this Contract may constitute a material breach of this Contract. In the event of such material breach, COUNTY may, in its sole discretion, terminate the Contract and/or bar CONTRACTOR from the award of future COUNTY contracts for a period of time consistent with the seriousness of the breach.

14.0 CONDUCT OF PROGRAM

CONTRACTOR shall abide by all terms and conditions imposed and required by this Contract and shall comply with all subsequent revisions, modifications, and administrative and statutory changes made by the State, and all applicable provisions of State and federal regulations. Failure by CONTRACTOR to comply with

provisions, requirements or conditions of this Contract, including, but not limited to, performance documentation, reporting and evaluation requirements, shall be a material breach of this Contract and may result in the withholding of payments, financial penalties, and/or termination as stated herein.

15.0 CONFLICT OF INTEREST

- 15.1 No COUNTY employee and no spouse or economic dependent of such employee, shall be employed in any capacity by CONTRACTOR or have any other direct or indirect financial interest in this Contract. No officer or employee of CONTRACTOR who may financially benefit from the performance of work hereunder shall in any way participate in COUNTY's approval, or ongoing evaluation of such work, or in any way attempt to unlawfully influence COUNTY's approval or ongoing evaluation of such work.
- 15.2 CONTRACTOR shall comply with all conflict of interest laws, ordinances and regulations now in effect or hereafter to be enacted during the term of this Contract. CONTRACTOR warrants that it is not now aware of any facts that create a conflict of interest. If CONTRACTOR hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to COUNTY. Full written disclosure shall include, but is not limited to, identification of all persons implicated and complete description of all relevant circumstances. Failure to comply with the provisions of this Section shall be a material breach of this Contract.

16.0 CONSIDERATION OF HIRING GAIN/GROW PARTICIPANTS

- 16.1 Should the CONTRACTOR require additional or replacement personnel after the effective date of this Contract, the CONTRACTOR shall give consideration for any such employment openings to participants in the COUNTY's Department of Public Social Services' Greater Avenues for Independence (GAIN) Program or General Relief Opportunities for Work (GROW) Program who meet the CONTRACTOR's minimum qualifications for the open position. For this purpose, consideration shall mean that the CONTRACTOR will interview qualified candidates. The COUNTY will refer GAIN/GROW participants by job category to the CONTRACTOR. Contractors shall report all job openings with job requirements to: GAINGROW@dpss.lacounty.gov to obtain a list of qualified GAIN/GROW job candidates.
- 16.2 In the event that both laid-off COUNTY employees and GAIN/GROW participants are available for hiring, COUNTY employees shall be given first priority.

17.0 CONSIDERATION OF HIRING COUNTY EMPLOYEES TARGETED FOR LAYOFFS OR ON REEMPLOYMENT LIST

Should CONTRACTOR require additional or replacement personnel after the effective date of this Contract to perform the services set forth herein, CONTRACTOR shall give **first consideration** for such employment openings to qualified permanent COUNTY employees who are targeted for layoff or qualified former COUNTY employees who are on a reemployment list during the life of this Contract.

18.0 CONTRACT ACCOUNTING AND FINANCIAL REPORTING

18.1 CONTRACTOR shall establish and maintain an accounting system have in place the necessary management tools and infrastructure capable of performing the administrative, financial and management information system functions, including contracting billing records management and quality assurance, as described in Exhibit F-1, Auditor-Controller Contract Accounting and Administration Handbook.

18.2 CONTRACTOR shall maintain supporting documentation for all accruals reported. Accruals which are not properly supported may be disallowed upon audit.

19.0 CONTRACTOR ALERT REPORTING DATABASE (CARD)

The COUNTY maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the COUNTY will exercise a contract term extension option.

20.0 CONTRACTOR RESPONSIBILITY AND DEBARMENT

20.1 A responsible contractor is one who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily perform the contract. It is the COUNTY's policy to conduct business only with responsible contractors.

20.2 The CONTRACTOR is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the COUNTY acquires information concerning the performance of the CONTRACTOR on this or other contracts which indicates that the CONTRACTOR is not responsible, the COUNTY may, in addition to other remedies provided in the Contract, debar the CONTRACTOR from bidding or proposing on, or being awarded, and/or performing work on COUNTY contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the CONTRACTOR may have with the COUNTY.

- 20.3 The COUNTY may debar a Contractor if the COUNTY's Board of Supervisors, finds in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the COUNTY or a nonprofit corporation created by the COUNTY; (2) committed an act or omission which negatively reflects on the CONTRACTOR's quality, fitness or capacity to perform a contract with the COUNTY, any other public entity, or a nonprofit corporation created by the COUNTY, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the COUNTY or any other public entity.
- 20.4 If there is evidence that the CONTRACTOR may be subject to debarment, the Department will notify the CONTRACTOR in writing of the evidence, which is the basis for the proposed debarment and will advise the CONTRACTOR of the scheduled date for a debarment hearing before the Contractor Hearing Board.
- 20.5 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The CONTRACTOR and/or the CONTRACTOR's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the CONTRACTOR should be debarred, and if so, the appropriate length of time of the debarment. The CONTRACTOR and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.
- 20.6 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the COUNTY's Board of Supervisors. The COUNTY's Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.
- 20.7 If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The COUNTY may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interests of the COUNTY.

20.8 The Contractor Hearing Board will consider a request for review of a debarment determination only where: (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of the debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

20.8.1 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny or adopt the proposed decision and recommendation of the Contractor Hearing Board.

20.9 These terms shall also apply to Subcontractors of COUNTY Contractors.

20.10 A registry of Debarred Contractors for Los Angeles County, State and federal agencies may be obtained by going to the following websites:

- County: http://laCounty.info/doing_business/DebarmentList.htm
- State: <http://www.dir.ca.gov/dlse/debar.html>
- Federal: <http://www.epls.gov/eplsearch.do?multiName=true>

21.0 CONTRACTOR'S CHARITABLE ACTIVITIES COMPLIANCE

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring CONTRACTORS to complete the certification in Exhibit L, the COUNTY seeks to ensure that all COUNTY Contractors which receive or raise charitable contributions comply with California law in order to protect the COUNTY and its taxpayers. A Contractor that receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both (County Code Chapter 2.202).

22.0 CONTRACTOR'S WORK

- 22.1 Pursuant to the provisions of this Contract, CONTRACTOR shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as more fully set forth in Exhibit A, Statement of Work.
- 22.2 If the CONTRACTOR provides any tasks, deliverables, goods, services, or other work, other than as specified in this Contract, the same shall be deemed to be a gratuitous effort on the part of the CONTRACTOR, and the CONTRACTOR shall have no claim whatsoever against the COUNTY.

23.0 COUNTY'S QUALITY ASSURANCE PLAN

The COUNTY or its agent will evaluate CONTRACTOR's performance under this Contract on not less than an annual basis. Such evaluation will include assessing the CONTRACTOR's compliance with all contract terms and conditions and performance standards. CONTRACTOR deficiencies which COUNTY determines are severe or continuing and that may place performance of the Contract in jeopardy if not corrected will be reported to the COUNTY's Board of Supervisors. The report will include improvement/corrective action measures taken by the COUNTY and CONTRACTOR. If improvement does not occur consistent with the corrective action measures, the COUNTY may terminate this Contract or impose other penalties as specified in this Contract.

24.0 DEFAULTED PROPERTY TAX REDUCTION PROGRAM

- 24.1 CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this agreement will maintain compliance, with Los Angeles County Code Chapter 2.206.

- 24.2 TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Failure of Contractor to maintain compliance with the requirements set forth in the "CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM" paragraph immediately above, shall constitute default under this agreement. Without limiting the rights and remedies

available to County under any other provision of this agreement, failure of Contractor to cure such default within ten (10) calendar days of notice shall be grounds upon which County may terminate this agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206.

25.0 EMPLOYEE BENEFITS AND TAXES

25.1 CONTRACTOR shall be solely responsible for providing to, or on behalf of its employees, all legally required salaries, wages, benefits, or other compensation.

25.2 COUNTY shall have no liability or responsibility for any taxes, including, without limitation, sales, income, employee withholding and/or property taxes which may be imposed in connection with or resulting from this Contract or CONTRACTOR's performance hereunder.

26.0 EMPLOYMENT ELIGIBILITY VERIFICATION

26.1 CONTRACTOR warrants that it fully complies with all federal and State statutes and regulations regarding employment of aliens and others, and that all its employees performing work under this Contract meet the citizenship or alien status requirements set forth in federal and State statutes and regulations. CONTRACTOR shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by federal and State statutes and regulations, including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist and as they may be hereafter amended. CONTRACTOR shall retain such documentation of all covered employees for the period prescribed by law.

26.2 CONTRACTOR shall indemnify, defend and hold harmless, the COUNTY, its agents, officers and employees from employer sanctions and any other liability which may be assessed against the CONTRACTOR or the COUNTY or both in connection with any alleged violation of federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

27.0 EVENTS OF DEFAULT

27.1 Default for Non-Performance

COUNTY may terminate the whole or any part of this Contract if either of the following circumstances exists:

27.1.1 CONTRACTOR has made a misrepresentation of any required element in the bid/proposal submitted in response to the Invitation for Bids/Request for Proposals, if any; or

27.1.2 CONTRACTOR fails to comply with or perform any provision of this Contract or fails to make progress so as to endanger performance of any term of this Contract.

27.2 Default for Insolvency

COUNTY may terminate this Contract for default for insolvency in the event of the occurrence of any of the following:

27.2.1 Insolvency of CONTRACTOR. CONTRACTOR shall be deemed insolvent if it has ceased to pay its debts in the ordinary course of business or cannot pay its debts as they become due, whether it has filed for bankruptcy or not, and whether insolvent within the meaning of the Federal Bankruptcy Law or not;

27.2.2 The filing of a voluntary petition in bankruptcy;

27.2.3 The appointment of a Receiver or Trustee for CONTRACTOR;

27.2.4 The execution by CONTRACTOR of an assignment for the benefit of creditors.

27.3 Other Events of Default

Determination by the COUNTY, the State Fair Employment Commission, or the Federal Equal Employment Opportunity Commission of discrimination having been practiced by CONTRACTOR in violation of State and/or federal laws thereon.

28.0 FAIR LABOR STANDARDS

The CONTRACTOR shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the COUNTY and its agents, officers and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the CONTRACTOR's employees for which the COUNTY may be found jointly or solely liable.

29.0 FIXED ASSETS

Title to all fixed assets purchased with COUNTY funds designated by the COUNTY for that purpose under this Contract shall remain with COUNTY. A "Fixed Asset" is defined hereunder as any equipment costing Five Thousand Dollars (\$5,000) or more, with a useful life of more than one year. Such assets shall be maintained and repaired by CONTRACTOR during the term of this Contract. CONTRACTOR shall provide an accounting of such assets at the termination or expiration of this Contract and shall deliver same to COUNTY upon COUNTY's written request. CONTRACTOR shall have the option upon the expiration or termination of the Contract to acquire such assets at a price to be mutually agreed upon by COUNTY and CONTRACTOR.

30.0 FORMER FOSTER YOUTH CONSIDERATION

30.1 Should CONTRACTOR require additional or replacement personnel after the effective date of this Contract to perform services set forth herein, CONTRACTOR shall give consideration (after COUNTY employees, and GAIN/GROW participants as described in Part II, Sections 17.0 and 16.0, respectively) for any such position(s) to qualified former foster youth. CONTRACTOR shall notify COUNTY of any new or vacant positions(s) within CONTRACTOR's firm by sending via U.S. mail or facsimile, a list denoting any position(s) for which hiring is anticipated to:

County of Los Angeles
Department of Children and Family Services
Attention: Division Chief, Youth Development Services
3530 Wilshire Blvd., Suite 400
Los Angeles, CA 90010
FAX: (213) 637-0036

30.2 The notice sent by CONTRACTOR must indicate the position(s)/title(s) for vacant or new employment opportunity, description of same, requirements/qualifications for position(s), anticipated pay rate or salary schedule, the location where application(s)/requests for application(s) may be sent, final date of acceptance for applications, and any special circumstances relevant to the hiring procedure for said position(s).

30.3 CONTRACTOR is exempt from the provisions of this Section if it is a governmental entity.

31.0 GOVERNING LAW, JURISDICTION, AND VENUE

This Contract shall be governed by, and construed in accordance with, the laws of the State of California. The CONTRACTOR agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this

Contract and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

32.0 INDEPENDENT CONTRACTOR STATUS

- 32.1 This Contract is by and between the COUNTY and the CONTRACTOR and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture or association, as between COUNTY and the CONTRACTOR. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.
- 32.2 CONTRACTOR shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this Contract all compensation and benefits. The COUNTY shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, federal, State, or local taxes, or other compensation, benefits or taxes for any personnel provided by or on behalf of the CONTRACTOR.
- 32.3 CONTRACTOR understands and agrees that all persons performing work pursuant to this Contract are, for purposes of Workers' Compensation liability, solely employees of the CONTRACTOR and not employees of the COUNTY. The CONTRACTOR shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the CONTRACTOR pursuant to this Contract.
- 32.4 CONTRACTOR shall cause each employee performing services covered by this Contract to sign and adhere to, "CONTRACTOR's Employee Acknowledgement and Confidentiality Agreement." The CONTRACTOR shall cause each non-employee performing services covered by this Contract to sign and adhere to "CONTRACTOR's Non-Employee Acknowledgement, Confidentiality, and Copyright Assignment Agreement."

33.0 LIQUIDATED DAMAGES

- 33.1 If, in the judgment of the Director, the CONTRACTOR is deemed to be non-compliant with the terms and obligations assumed hereby, the Director, or his/her designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may withhold the entire monthly payment or deduct pro rata from the CONTRACTOR's invoice for work not performed. A description of the work not performed and the amount to be withheld or deducted from payments to the CONTRACTOR from the COUNTY, will be forwarded to the CONTRACTOR by the Director, or his/her designee, in a written notice describing the reasons for said action.

33.2 If the Director determines that there are deficiencies in the performance of this Contract that the Director deems are correctable by the CONTRACTOR over a certain time span, the Director will provide a written notice to the CONTRACTOR to correct the deficiency within specified time frames. Should the CONTRACTOR fail to correct deficiencies within said time frame, the Director may:

- (a) Deduct from the CONTRACTOR's payment, pro rata, those applicable portions of the Monthly Contract Sum; and/or
- (b) Deduct liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the CONTRACTOR to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages shall be that which is specified in Exhibit A-1, Performance Requirements Summary (PRS) Chart, and that the CONTRACTOR shall be liable to the COUNTY for liquidated damages in said amount. Said amount shall be deducted from the COUNTY's payment to the CONTRACTOR; and/or

33.2.1 Upon giving five days notice to the CONTRACTOR for failure to correct the deficiencies, the COUNTY may correct any and all deficiencies and the total costs incurred by the COUNTY for completion of the work by an alternate source, whether it be COUNTY forces or separate private contractor, will be deducted and forfeited from the payment to the CONTRACTOR from the COUNTY, as determined by the COUNTY.

33.3 The action noted in Sub-section 33.2 shall not be construed as a penalty, but as adjustment of payment to the CONTRACTOR to recover the COUNTY cost due to the failure of the CONTRACTOR to complete or comply with the provisions of this Contract.

33.4 This Sub-section shall not, in any manner, restrict or limit the COUNTY's right to damages for any breach of this Contract provided by law or as specified in the PRS or Sub-section 33.2, and shall not, in any manner, restrict or limit the COUNTY's right to terminate this Contract as agreed to herein.

34.0 MANDATORY REQUIREMENT TO REGISTER ON COUNTY'S WEBVEN

CONTRACTOR represents and warrants that it has registered in the COUNTY's WebVen. Prior to a contract award, all potential contractors must register in the COUNTY's WebVen. The WebVen contains the vendor's business profile and identifies the goods/services the business provides. Registration can be accomplished online via the Internet by accessing the COUNTY's home page at

http://laCounty.info/doing_business/main_db.htm. (There are underscores in the address between the words 'doing business' and 'main db'.)

35.0 MOST FAVORED PUBLIC ENTITY

If the CONTRACTOR's prices decline, or should the CONTRACTOR at any time during the term of this Contract provide the same goods or services under similar quantity and delivery conditions to the State of California or any County, municipality or district of the State at prices below those set forth in this Contract, then such lower prices shall be immediately extended to the COUNTY.

36.0 NON-DISCRIMINATION AND AFFIRMATIVE ACTION

- 36.1 CONTRACTOR certifies and agrees that all persons employed by it, its affiliates, subsidiaries or holding companies, are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable federal and State anti-discrimination laws and regulations.
- 36.2 CONTRACTOR shall certify to, and comply with, the provisions of Exhibit C, Contractor's Equal Employment Opportunity (EEO) Certification.
- 36.3 CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status or political affiliation, in compliance with all applicable federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 36.4 CONTRACTOR certifies and agrees that it will deal with its subcontractors, bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status or political affiliation.
- 36.5 CONTRACTOR certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this Contract or under any project, program or activity supported by this Contract.

- 36.6 CONTRACTOR shall allow COUNTY representatives access to CONTRACTOR's employment records during regular business hours to verify compliance with the provisions of this section when so requested by COUNTY.
- 36.7 If the COUNTY finds that any of the above provisions have been violated, such violation shall constitute a material breach of contract upon which COUNTY may determine to terminate this Contract. While the COUNTY reserves the right to determine independently that the anti-discrimination provisions of this Contract have been violated, in addition, a determination by the California Fair Employment Opportunity Commission or the Federal Equal Employment Opportunity Commission that the CONTRACTOR has violated federal or State anti-discrimination laws or regulations shall constitute a finding by COUNTY that the CONTRACTOR has violated the anti-discrimination provisions of this Contract.
- 36.8 The parties agree that in the event the CONTRACTOR violates any of the anti-discrimination provisions of this Contract, the COUNTY shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this Contract.

37.0 NON EXCLUSIVITY

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with CONTRACTOR. This Contract shall not restrict DCFS from acquiring similar, equal or like goods and/or services from other entities or sources.

38.0 NOTICE OF DELAYS

Except as otherwise provided under this Contract, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Contract, that party shall, within one day, give written notice thereof, including all relevant information with respect thereto, to the other party.

39.0 NOTICE OF DISPUTE

The CONTRACTOR shall bring to the attention of the COUNTY Program Manager any dispute between the COUNTY and the CONTRACTOR regarding the performance of services as stated in this Contract. If the COUNTY Program Manager is not able to resolve the dispute, the Director, or designee shall resolve it.

40.0 NOTICE TO EMPLOYEES REGARDING THE FEDERAL EARNED INCOME CREDIT

CONTRACTOR shall notify its employees, and shall require each Subcontractor to notify its employees, that they may be eligible for the Federal Earned Income Credit

under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Services Notice 1015, attached hereto as Exhibit G.

41.0 PROHIBITION AGAINST INDUCEMENT OR PERSUASION

Notwithstanding the above, CONTRACTOR and COUNTY agree that, during the term of this Contract and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

42.0 PROPRIETARY RIGHTS

42.1 COUNTY and CONTRACTOR agree that all materials, data and information developed under and/or used in connection with this Contract shall become the sole property of COUNTY, provided that CONTRACTOR may retain possession of all working papers prepared by CONTRACTOR. During and subsequent to the term of this Contract, COUNTY shall have the right to inspect any and all such working papers, make copies thereof, and use the working papers and the information contained therein.

42.2 Notwithstanding any other provision of this Contract, COUNTY and CONTRACTOR agree that COUNTY shall have all ownership rights in software or modification thereof and associated documentation designed, developed or installed with federal financial participation; additionally, the Federal Government shall have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for Federal Government purposes, such software, modifications and documentation. Notwithstanding any other provision of this Contract, proprietary operating/vendor software packages (e.g., ADABAS or TOTAL) which are provided at established catalog or market prices and sold or leased to the general public shall not be subject to the ownership provisions of this Section. CONTRACTOR may retain possession of all working papers prepared by CONTRACTOR. During and subsequent to the term of this Contract, COUNTY shall have the right to inspect any and all such working papers, make copies thereof, and use the working papers and the information contained therein.

42.3 Any materials, data and information not developed under this Contract, which CONTRACTOR considers to be proprietary and confidential, shall be plainly and prominently marked by CONTRACTOR as "TRADE SECRET," "PROPRIETARY," or "CONFIDENTIAL."

42.4 COUNTY will use reasonable means to ensure that CONTRACTOR's proprietary and confidential materials, data and information are safeguarded and held in confidence. However, COUNTY will notify CONTRACTOR of any

Public Records Act request for items described in Sub-Section 42.3. COUNTY agrees not to reproduce or distribute such materials, data and information to non-COUNTY entities without the prior written permission of CONTRACTOR.

42.5 Notwithstanding any other provision of this Contract, COUNTY shall not be obligated in any way under Sub-section 42.4 for:

42.5.1 Any material, data and information not plainly and prominently marked with restrictive legends as set forth in Sub-section 42.3;

42.5.2 Any materials, data and information covered under Sub-section 42.2; and

42.5.3 Any disclosure of any materials, data and information which COUNTY is required to make under the California Public Records Act or otherwise by law.

42.6 CONTRACTOR shall protect the security of and keep confidential all materials, data and information received or produced under this Contract. Further, CONTRACTOR shall use whatever security measures are necessary to protect all such materials, data and information from loss or damage by any cause, including, but not limited to, fire and theft.

42.7 CONTRACTOR shall not disclose to any party any information identifying, characterizing or relating to any risk, threat, vulnerability, weakness or problem regarding data security in COUNTY's computer systems or to any safeguard, countermeasure, contingency plan, policy or procedure for data security contemplated or implemented by COUNTY, without COUNTY's prior written consent.

42.8 The provisions of Sub-sections 42.5, 42.6, and 42.7 shall survive the expiration or termination of this Contract.

43.0 PUBLIC RECORDS ACT

43.1 Any documents submitted by CONTRACTOR, all information obtained in connection with the COUNTY's right to audit and inspect CONTRACTOR's documents, books, and accounting records pursuant to Part II, Record Retention and Inspection/Audit Settlement, of this Contract, as well as those documents which were required to be submitted in response to the solicitation process for this Contract, become the exclusive property of the COUNTY. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in California Government Code Section 6250, et seq. (Public Records Act) and which are marked "trade secret," "confidential," or "proprietary." The COUNTY shall not in any way be

liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order of court of competent jurisdiction.

- 43.2 In the event the COUNTY is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a bid or proposal marked "trade secret," "confidential," or "proprietary," the CONTRACTOR agrees to defend and indemnify the COUNTY from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

44.0 PUBLICITY

- 44.1 The CONTRACTOR shall not disclose any details in connection with this Contract to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the CONTRACTOR's need to identify its services and related clients to sustain itself, the COUNTY shall not inhibit the CONTRACTOR from publishing its role under this Contract within the following conditions:

44.1.1 The CONTRACTOR shall develop all publicity material in a professional manner; and

44.1.2 During the term of this Contract, the CONTRACTOR shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles or other materials using the name of the COUNTY without the prior written consent of the COUNTY's Program Manager. The COUNTY shall not unreasonably withhold written consent.

- 44.2 The CONTRACTOR may, without the prior written consent of COUNTY, indicate in its proposals and sales materials that it has been awarded this Contract with the County of Los Angeles, provided that the requirements of this Sub-section shall apply.

45.0 RECORD RETENTION AND INSPECTION/AUDIT SETTLEMENT

- 45.1 The Contractor shall maintain accurate and complete financial records of its activities and operations relating to this Contract in accordance with generally accepted accounting principles. The Contractor shall also maintain accurate and complete employment and other records relating to its performance of this Contract. The Contractor agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this Contract. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-

in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Contractor and shall be made available to the County during the term of this Contract and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Contractor at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Contractor shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

- 45.2 In the event that an audit of the Contractor is conducted specifically regarding this Contract by any Federal or State auditor, or by any auditor or accountant employed by the Contractor or otherwise, then the Contractor shall file a copy of such audit report with the County's Auditor-Controller within thirty (30) days of the Contractor's receipt thereof, unless otherwise provided by applicable Federal or State law or under this Contract. Subject to applicable law, the County shall make a reasonable effort to maintain the confidentiality of such audit report(s).
- 45.3 Failure on the part of the Contractor to comply with any of the provisions of this sub-paragraph 45.1 shall constitute a material breach of this Contract upon which the County may terminate or suspend this Contract.
- 45.4 If, at any time during the term of this Contract or within five years after the expiration or termination of this Contract, representatives of the County conduct an audit of the Contractor regarding the work performed under this Contract, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Contractor, then the difference shall be either: a) repaid by the Contractor to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Contractor from the County, whether under this Contract or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Contractor, then the difference shall be paid to the Contractor by the County by cash payment, provided that in no event shall the County's maximum obligation for this Contract exceed the funds appropriated by the County for the purpose of this Contract.

46.0 RECYCLED-CONTENT PAPER

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the COUNTY landfills, the CONTRACTOR agrees to use recycled-content paper to the maximum extent possible on this Contract.

47.0 SAFELY SURRENDERED BABY LAW

47.1 Contractor's Acknowledgement of COUNTY's Commitment to the Safely Surrendered Baby Law.

The CONTRACTOR acknowledges that the COUNTY places a high priority on the implementation of the Safely Surrendered Baby Law. The CONTRACTOR understands that it is the COUNTY's policy to encourage all COUNTY Contractors to voluntarily post the COUNTY's "Safely Surrendered Baby Law" poster in a prominent position at the CONTRACTOR's place of business. The CONTRACTOR will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor's place of business. The COUNTY's Department of Children and Family Services will supply the CONTRACTOR with the poster to be used. Information on how to receive the poster can be found on the Internet at www.babysafela.org.

47.2 Notice to Employees Regarding the Safely Surrendered Baby Law

CONTRACTOR shall notify and provide to its employees, and shall require each Subcontractor to notify and provide to its employees, a fact sheet regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is set forth in Exhibit I, of this Contract and is also available on the Internet at www.babysafela.org for printing purposes.

48.0 SHRED DOCUMENT

48.1 CONTRACTOR shall ensure that all confidential documents and papers, as defined under state law (including, but not limited to Welfare and Institutions Code section 10850) relating to this Contract must be shredded and not put in trash containers when CONTRACTOR disposes of these documents and papers. All documents and papers to be shredded are to be placed in a locked or secured container/bin/box and labeled "shred" until they are destroyed. No confidential documents and papers are to be recycled.

48.2 Documents for record and retention purposes in accordance with Subsection 46.0 (Record Retention and Inspection/Audit Settlement) of this Contract are to be maintained for a period of five years.

49.0 SUBCONTRACTING

49.1 The requirements of this Contract may not be subcontracted by the CONTRACTOR. Any attempt by the CONTRACTOR to subcontract without the prior consent of the COUNTY may be deemed a material breach of this Contract.

- 49.2 If the CONTRACTOR desires to subcontract, the CONTRACTOR shall provide the following information promptly at the COUNTY'S request:
- 49.2.1 A description of the work to be performed by the Subcontractor
 - 49.2.2 A draft copy of the proposed subcontract; and
 - 49.2.3 Other pertinent information and/or certifications requested by the COUNTY.
- 49.3 CONTRACTOR shall indemnify and hold the COUNTY harmless with respect to the activities of each and every Subcontractor in the same manner and to the same degree as if such Subcontractor(s) were CONTRACTOR employees.
- 49.4 CONTRACTOR shall remain fully responsible for all performances required prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The CONTRACTOR is responsible to notify its Subcontractors of this COUNTY right.
- 49.5 COUNTY's consent to subcontract shall not waive the COUNTY's right to prior and continuing approval of any and all personnel, including Subcontractor employees, providing services under this Contract. The CONTRACTOR is responsible to notify its Subcontractors of this COUNTY right.
- 49.6 The COUNTY Program Manager is authorized to act for and on behalf of the COUNTY with respect to approval of any subcontract and Subcontractor employees.
- 49.7 CONTRACTOR shall obtain the following from each Subcontractor before any Subcontractor employee may perform any work under any subcontract to this Contract. CONTRACTOR shall maintain and make available upon request of COUNTY Program Manager all the following documents:
- 49.7.1 An executed Exhibit E-2, "CONTRACTOR Employee Acknowledgment and Confidentiality Agreement", executed by each Subcontractor and each of Subcontractor's employees approved to perform work hereunder.
 - 49.7.2 Certificates of Insurance which establish that the Subcontractor maintains all the programs of insurance required by Part I, Insurance Coverage Requirements, of this Contract, and
 - 49.7.3 The Tax Identification Number of the subcontracting agency to be placed on the signature page of the subcontract. This Tax Identification

Number shall not be identical to the CONTRACTOR's Tax Identification Number.

- 49.8 CONTRACTOR shall provide COUNTY Program Manager with copies of all executed subcontracts after COUNTY Program Manager's approval.
- 49.9 No subcontract shall alter in any way any legal responsibility of CONTRACTOR to COUNTY. CONTRACTOR shall remain responsible for any and all performance required of it under this Contract, including, but not limited to, the obligation to properly supervise, coordinate and perform all work required hereunder.
- 49.10 Notwithstanding any other provision of this Contract, the parties do not in any way intend that any person or entity shall acquire any rights as a third party beneficiary of this Contract.
- 49.11 CONTRACTOR shall be solely liable and accountable for any and all payments and other compensation to all Subcontractor's engaged hereunder and their officers, employees and agents. COUNTY shall have no liability or responsibility whatsoever for any payment or other compensation for any Subcontractors or their officers, employees and agents.

50.0 TERMINATION FOR CONTRACTOR'S DEFAULT

- 50.1 COUNTY may, by written notice to the CONTRACTOR, terminate the whole or any part of this Contract, if, in the judgment of COUNTY's Program Manager:
 - 50.1.1 CONTRACTOR has materially breached this Contract;
 - 50.1.2 CONTRACTOR fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required under this Contract; or
 - 50.1.3 CONTRACTOR fails to demonstrate a high probability of timely fulfillment of performance requirements under this Contract, or of any obligations of this Contract and in either case, fails to demonstrate convincing progress toward a cure within five working days (or such longer period as the COUNTY may authorize in writing) after receipt of written notice from the COUNTY specifying such failure.
- 50.2 In the event COUNTY terminates this Contract in whole or in part as provided in Sub-section 50.1, the COUNTY may procure, upon such terms and in such manner, as COUNTY may deem appropriate, services similar to those so terminated. CONTRACTOR shall be liable to the COUNTY for any and all excess cost incurred by the COUNTY, as determined by the COUNTY, for such similar goods and services. The CONTRACTOR shall continue the

performance of this Contract to the extent not terminated under the provisions of this Section.

- 50.3 Except with respect to defaults of any Subcontractor, the CONTRACTOR shall not be liable for any such excess costs of the type identified in Sub-section 50.2 if its failure to perform this Contract arises out of causes beyond the control and without the fault or negligence of the CONTRACTOR. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the COUNTY in either its sovereign or contractual capacity, acts of federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the CONTRACTOR. If the failure to perform is caused by the default of a Subcontractor, and if such default arises out of causes beyond the control of both the CONTRACTOR and Subcontractor, and without the fault or negligence of either of them, the CONTRACTOR shall not be liable for any such excess costs for failure to perform, unless the goods or services to be furnished by the Subcontractor were obtainable from other sources in sufficient time to permit the CONTRACTOR to meet the required performance schedule. As used in this Sub-section, the terms "Subcontractor" and "Subcontractors" mean Subcontractor(s) at any tier.
- 50.4 If, after the COUNTY has given notice of termination under the provisions of this Section, it is determined by the COUNTY that the CONTRACTOR was not in default under the provisions of this Section or that the default was excusable under the provisions of Sub-section 50.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to Part II, Termination for Convenience.
- 50.5 In the event the COUNTY terminates this Contract in its entirety due to the CONTRACTOR's default as provided in Sub-section 50.1, the CONTRACTOR and the COUNTY agree that the COUNTY will have actual damages, which are extremely difficult to calculate and impracticable to fix and which will include, but are not limited to, the COUNTY's costs of procurement of replacement services and costs incurred due to delays in procuring such services. Therefore, the CONTRACTOR and the COUNTY agree that the COUNTY shall, at its sole option and in lieu of the provisions of Sub-section 50.2, be entitled to liquidated damages from the CONTRACTOR, pursuant to California Civil Code Section 1671, in the amount of Five Thousand Dollars (\$5,000) or five percent of the applicable year's Contract sum, whichever is less, as equitable compensation to the COUNTY for such actual damages. This amount of liquidated damages shall be either paid by the CONTRACTOR to the COUNTY by cash payment upon demand or, at the sole discretion of COUNTY, or designee, deducted from any amounts due to the CONTRACTOR by the COUNTY, whether under this Contract or otherwise.

50.5.1 These liquidated damages shall be in addition to any credits, which the COUNTY is otherwise entitled to under this Contract, and the CONTRACTOR's payment of these liquidated damages shall not in any way change, or affect the provisions of Part II, Indemnification.

50.6 The rights and remedies of the COUNTY provided in this Section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

51.0 TERMINATION FOR CONVENIENCE

51.1 This Contract may be terminated, in whole or in part, from time to time, when such action is deemed by the COUNTY, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to CONTRACTOR specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than 10 days after the notice is sent.

51.2 After receipt of a Notice of Termination and except as otherwise directed by COUNTY, the CONTRACTOR shall:

51.2.1 Stop work under this Contract on the date and to the extent specified in such notice, and

51.2.2 Complete performances of such part of the work as shall not have been terminated by such notice.

51.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the CONTRACTOR under this Contract shall be maintained by the CONTRACTOR in accordance with Part II, Record Retention and Inspection/Audit Settlement.

52.0 TERMINATION FOR IMPROPER CONSIDERATION

52.1 COUNTY may, by written notice to CONTRACTOR, immediately terminate the right of the CONTRACTOR to proceed under this Contract if it is found that consideration, in any form, was offered or given by the CONTRACTOR, either directly or through an intermediary, to any COUNTY officer, employee or agent with the intent of securing this Contract or securing favorable treatment with respect to the award, amendment or extension of this Contract or the making of any determinations with respect to the CONTRACTOR's performance pursuant to this Contract. In the event of such termination, the COUNTY shall be entitled to pursue the same remedies against CONTRACTOR as it could pursue in the event of default by the CONTRACTOR.

52.2 CONTRACTOR shall immediately report any attempt by a COUNTY officer or employee to solicit such improper consideration. The report shall be made either to the COUNTY manager charged with the supervision of the employee or to the COUNTY Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

52.3 Among other items, such improper consideration may take the form of cash, discounts, service, the provision of travel or entertainment, or tangible gifts.

53.0 TERMINATION FOR INSOLVENCY

53.1 COUNTY may terminate this Contract forthwith in the event of the occurrence of any of the following:

53.1.1 Insolvency of the CONTRACTOR. The CONTRACTOR shall be deemed to be insolvent if it has ceased to pay its debts for at least 60 days in the ordinary course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the CONTRACTOR is insolvent within the meaning of the Federal Bankruptcy Code;

53.1.2 The filing of a voluntary or involuntary petition regarding the CONTRACTOR under the Federal Bankruptcy Code;

53.1.3 The appointment of a Receiver or Trustee for the CONTRACTOR; or

53.1.4 The execution by the CONTRACTOR of a general assignment for the benefit of creditors.

53.2 The rights and remedies of the COUNTY provided in this Section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

54.0 TERMINATION FOR NON-ADHERENCE OF COUNTY LOBBYIST ORDINANCE

CONTRACTOR and each COUNTY lobbyist or COUNTY lobbying firm, as defined in County Code Section 2.160.010, retained by CONTRACTOR, shall fully comply with the COUNTY's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of CONTRACTOR or any COUNTY lobbyist or COUNTY lobbying firm retained by the CONTRACTOR to fully comply with the COUNTY's Lobbyist Ordinance shall constitute a material breach of this Contract, upon which the COUNTY may, in its sole discretion, immediately terminate or suspend this Contract.

55.0 TERMINATION FOR NON-APPROPRIATION OF FUNDS

Notwithstanding any other provision of this Contract, the COUNTY shall not be obligated for the CONTRACTOR's performance hereunder or by any provision of this Contract during any of the COUNTY's future fiscal years unless and until the COUNTY's Board of Supervisors appropriates funds for this Contract in the COUNTY's budget for each such future fiscal year. In the event that funds are not appropriated for this Contract, then this Contract shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The COUNTY shall notify the CONTRACTOR in writing of any such non-allocation of funds at the earliest possible date.

56.0 USE OF FUNDS

56.1 All uses of funds paid to CONTRACTOR and other financial transactions related to CONTRACTOR's provision of services under this Contract are subject to review and/or audit by DCFS, COUNTY's Auditor-Controller or its designee, and the State of California. In the event this Contract is subject to audit exceptions, CONTRACTOR shall pay to COUNTY the full amount of CONTRACTOR's liability for such audit exceptions, as determined by DCFS, upon demand by COUNTY.

56.2 CONTRACTOR shall expend foster care funds on reasonable and allowable Expenditures in providing the necessary Services, as specified in this Contract. The determination of reasonable and allowable Expenditures shall be in accordance with OMB Circular A-122 (Exhibit F-2);, and 45 CFR 74.27 (Exhibit F-3), and the Auditor-Controller Contract Accounting and Administration Handbook (Exhibit F-1).

56.3 CONTRACTOR shall ensure all its uses of AFDC-FC funds it receives or spends are subject to review and/or audit by the COUNTY'S Auditor-Controller, or designee or DCFS, or its designee.

56.3.1 In the event this Contract is subject to audit exceptions, CONTRACTOR shall pay to COUNTY the full amount of CONTRACTOR'S liability for such audit exceptions, as determined by the DCFS, upon demand by COUNTY.

56.3.2 CONTRACTOR agrees all its financial transactions related to its Provision of Services under this Contract are subject to review and/or audit by the COUNTY'S Auditor-Controller, or designee or DCFS, or its designee.

57.0 VALIDITY

If any provision of this Contract or the application thereof to any person or circumstance is held invalid, the remainder of this Contract and the application of such provision to other persons or circumstances shall not be affected thereby.

58.0 WAIVER

No waiver by the COUNTY of any breach of any provision of this Contract shall constitute a waiver of any other breach or of such provision. Failure of the COUNTY to enforce at any time, or from time to time, any provision of this Contract shall not be construed as a waiver thereof. The rights and remedies set forth in this Section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

59.0 WARRANTY AGAINST CONTINGENT FEES

59.1 CONTRACTOR warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon any Contract or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the CONTRACTOR for the purpose of securing business.

59.2 For breach of this warranty, the COUNTY shall have the right to terminate this Contract and, at its sole discretion, deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage or contingent fee.

60.0 WARRANTY AGAINST EXCLUSION, DEBARMENT OR SUSPENSION

CONTRACTOR certifies that neither it nor its principals are presently debarred, excluded suspended, or proposed for debarment, or otherwise declared ineligible from participation in this Contract by any governmental department or agency. CONTRACTOR must notify COUNTY's Program Manager within 30 days if debarred, excluded or suspended by any governmental entity during the Contract period.

61.0 TIME OFF FOR VOTING

The Contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than 10 days before every statewide election, every Contractor and subcontractors shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

**COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Contract to be subscribed on its behalf by the Director of the Department of Children and Family Services and the CONTRACTOR has subscribed the same through its authorized officer, as of the day, month and year first above written. The persons signing on behalf of the CONTRACTOR warrant under penalty of perjury that he or she is authorized to bind the CONTRACTOR.

COUNTY OF LOS ANGELES

CONTRACTOR

By _____
Philip L. Browning, Director
Department of Children and
Family Services

Pacific Toxicology Laboratories, Inc.

By _____

Name _____

Title _____

By _____

Name _____

Title _____

95-3926170
Tax Identification Number

APPROVED AS TO FORM:
BY THE OFFICE OF COUNTY COUNSEL
Mary C. Wickham., Interim County Counsel

BY _____
David Beaudet, Senior Deputy County Counsel

PART H: STATEMENT OF WORK

**COUNTY OF LOS ANGELES
DEPARTMENT OF CHILDREN AND FAMILY SERVICES**

**URINE SAMPLE COLLECTION
FOR DRUG AND ALCOHOL TESTING SERVICES**

STATEMENT OF WORK

URINE SAMPLE COLLECTION FOR DRUG AND ALCOHOL TESTING SERVICES

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STATEMENT OF WORK

1.0 PREAMBLE

The County of Los Angeles seeks to collaborate with its community partners to enhance the capacity of the health and human services system to improve the lives of children and families. These efforts require, as a fundamental expectation, that the County's contracting partners share the County and community's commitment to provide health and human services that support achievement of the County's Strategic Plan, Mission, Values, Goals and Performance Outcomes.

The County's vision is to improve the quality of life in the County by providing responsive, efficient and high quality public services that promote the self-sufficiency, well-being and prosperity of individuals, families business and communities. This philosophy of teamwork and collaboration is anchored in the County's shared values of: 1) Accountability; 2) A Can-Do Attitude; 3) Compassion; 4) Customer Orientation; 5) Integrity; 6) Leadership; 7) Professionalism; 8) Respect for Diversity and 9) Responsiveness.

These shared values are encompassed in the County's Strategic Plan's three Goals: 1) Operational Effectiveness/Fiscal Sustainability; 2) Community Support and Responsiveness; 3) Integrated Services Delivery. Improving the well-being of children and families requires coordination, collaboration and integration of services across functional and jurisdictional boundaries, by and between County departments/agencies and community and contracting partners.

2.0 INTRODUCTION

Drug and alcohol testing through urine sample collection is required where parents or primary caregivers/out of home caregivers of children receiving DCFS services are suspected of illicit drug and/or alcohol use and the children have been assessed to be safe in the home of their parents or primary caregiver so long as these caregivers are not consuming illicit drugs or excess amounts of alcohol. Drug and alcohol testing is often one of the final attempts to assess if out-of-home placement of children is necessary (or to facilitate the reunification of children who have been placed out-of-home) if the assessment has been made that the parents or primary caregivers are currently using drugs or alcohol.

CONTRACTOR shall provide Urine Sample Collection for Drug and Alcohol Testing services to the COUNTY as specified in this SOW. CONTRACTOR shall provide sufficient staff, equipment, supplies, facilities and multiple Collection Sites to perform the services of this SOW. All Collection Site practices shall be performed by sufficiently qualified individuals in accordance with all applicable laws and with a respectful and sensitive response to COUNTY clients who are referred for Drug and Alcohol testing.

3.0 DEFINITIONS

The following words as used herein shall be construed to have the following meanings, unless otherwise apparent from the context in which they are used:

- 3.1 Alcohol Testing - A method of measuring the presence of alcohol in a person's body through analysis of urine specimen.
- 3.2 Centers for Medicare and Medicaid Services (CMS) – regulates all laboratory testing (except research) performed on humans in the U.S. through the Clinical Laboratory Improvement Amendments of 1988 (CLIA).
- 3.3 Certified Drug-testing Laboratory – a laboratory certified by Substance Abuse and Mental Health Services Administration (SAMHSA); or College of American Pathologists Forensic Urine Drug Testing (CAP/FUDT) where urine analyses shall be conducted.
- 3.4 Chain of Custody – Procedures to account for the integrity of each urine specimen by tracking its handling and storage from point of specimen collection to final disposition of the specimen. CONTRACTOR shall develop appropriate Chain of Custody form(s).
- 3.5 Children's Social Worker (CSW) – Social Workers with the Department of Children and Family Services (DCFS) managing caseloads of children who are under the supervision and custody of DCFS.
- 3.6 Client '800' Hotline Number – A toll free number maintained by the COUNTY where the CONTRACTOR records a message in English and Spanish, Sundays through Thursdays between 6:00 p.m. and 6:30 p.m., indicating the first letter of the last name of those clients who must report for testing along with the day and date on which the specimens will be collected. The hotline number will have two options for clients to select; one for random testing and the other for weekly testing.
- 3.7 CLIA **exempt laboratory** – A laboratory that has been licensed or approved by a State where CMS has determined that the State has enacted laws relating to laboratory requirements that are equal to or more stringent than CLIA requirements and the State licensure program has been approved by CMS in accordance with subpart E in the CLIA.
- 3.8 Collection Site(s) – A facility provided by CONTRACTOR, and approved by the COUNTY Program Manager, where COUNTY clients present themselves for the purpose of providing a specimen of their urine to be analyzed for the presence of drugs. The sites have all necessary personnel, materials, equipment, facilities and supervision to provide for the collection, including chain of custody procedures, security, temporary storage, and shipping or transportation of urine specimen to a certified drug-testing laboratory.
- 3.9 COUNTY – The Department of Children and Family Services (DCFS) on behalf of the County of Los Angeles and its Board of Supervisors.
- 3.10 COUNTY Program Manager (CPM) – COUNTY test representative responsible for daily management of contract operation and the oversight of monitoring activities, compliance with the requirements of the Contract and the delivery of services.

- 3.11 COUNTY Random Drug and Alcohol Testing Program – Testing schedule whereby clients are selected to test on a randomly selected day once during each period of ten business days and no more than two times per month. The clients are informed of the days on which they have been selected to test by means of a call-in message system maintained recorded by the CONTRACTOR.
- 3.12 D/L Isomer Test – A type of drug test that allows laboratories to try and narrow the source of the positive methamphetamine finding.
- 3.13 Drug Panel – An assay designed for qualitative determination of drug substances in human urine specimens.
- 3.14 Drug Testing – A method of measuring the presence of drugs in a person's body through analysis of urine specimen.
- 3.15 EIA - Enzyme Immunoassay is a procedure measuring antibodies to detect the analyte of interest and an enzyme linked to the antigen-antibody complex.
- 3.16 EMIT – Enzyme Multiplied Immuno-Assay Technique is a screening or initial test that uses antibodies to detect the presence of a drug or metabolite in urine. It is used to eliminate “negative” urine specimens from further consideration and to identify the presumptively positive specimens that require confirmation or further testing.
- 3.17 Five Panel Drug Test – Drug panel that includes Amphetamines (Amphetamine, Methamphetamine, and MDMA/ Methylenedioxymethamphetamine), Cocaine Metabolites, Cannabinoids, Phencyclidine, and Opiates (Codeine, Morphine, and Hydrocodone).
- 3.18 GCMS – Gas Chromatograph Mass Spectrometry is a confirmatory test to identify the presence of specific drug or metabolite. It is a combination of two different analytical techniques. Gas chromatography physically separates the various substances that have been extracted from a specimen. Mass spectrometry is the technique used to provide a positive identification of substances that were separated by the gas chromatograph.
- 3.19 Juvenile Dependency Court – A component of the Los Angeles Superior Court Juvenile Division that has jurisdiction over cases involving child abuse, neglect and exploitation.
- 3.20 LC-MS/MS – Liquid chromatography-tandem mass spectrometry is a technique that combines high pressure liquid chromatography with tandem mass spectrometry to identify complex mixtures of proteins and peptides.
- 3.21 On-Demand Testing – A test requested usually for the same day the Referral is submitted or for a specific date chosen by the CSW, or requested by the Juvenile Dependency Court.
- 3.22 Quality Assurance Plan – The plan developed by CONTRACTOR which defines all necessary measures to be taken by the Contractor to assure that the quality of the

service will meet the contract requirements regarding timelines, accuracy, appearance, completeness, consistency, and conformity to the requirements set forth in the agreement's Statement of Work.

- 3.23 Random Testing – A test on a ten-day workday schedule, where the client is tested twice a month.
- 3.24 Referral – An authorization for drug and alcohol testing issued either by the Juvenile Dependency Court or the CSW to the COUNTY client to provide urine specimen at a specific time and location.
- 3.25 Service Component – Emergency Response (ER), Family Maintenance (FM), Family Reunification (FR), Permanent Plan (PP), Voluntary Family Maintenance (VFM), Voluntary Family Reunification (VFR), and OTHER.
- 3.26 Specialized Schedule – Testing is set on a regular frequency or interval (e.g., twice a week, once a month, etc.) for a specific period of time as ordered by the Juvenile Dependency Court.
- 3.27 Supervising Children's Social Worker (SCSW) – Supervisors with the Department of Children and Family Services (DCFS) who supervise, or meet the eligibility to supervise CSWs.
- 3.28 Urine Specimen Collection – The process of gathering urine samples provided by the clients as ordered by the Juvenile Dependency Court or the CSW.
- 3.29 Weekly Schedule – Testing on a weekly basis for a specific period of time as ordered by the Juvenile Dependency Court. DCFS policy may change in the future, as CSWs/SCSWs may have the discretion to request weekly testing without a court order.

4.0 COUNTY'S PROGRAM MANAGEMENT REQUIREMENTS

- 4.1 The COUNTY shall provide a COUNTY Program Manager (CPM) to coordinate the delivery of the services of this Contract with the CONTRACTOR'S Project Director (CPD).

- 4.2 The CPM and designated alternate (ALT) are:

CPM: Donna Fernandez, Program Manager
425 Shatto Place, Room 500
Los Angeles, CA 90020
Ph. (213) 351-5714
E-mail: fernadc@dcfs.lacounty.gov

ALT: Stophe Barlock-Page, LMFT
425 Shatto Place, Room 500
Los Angeles, CA 90020
Ph. (213) 351-6405
E-mail: barlos@dcfs.lacounty.gov

- 4.3 The CPM shall provide direction to CONTRACTOR in areas relating to DCFS policy, information and procedural requirements.
- 4.4 The CPM is not authorized to make any changes in the terms and conditions of this Contract and is not authorized to obligate the COUNTY in anyway whatsoever beyond the terms of this Contract.
- 4.5 The COUNTY shall have full authority to monitor CONTRACTOR's performance in the day-to-day operation of this contract.
- 4.6 Monitoring may be performed by the CPM or designated alternate or any other individual or group authorized by the CPM.
- 4.7 COUNTY may provide a User Complaint Report (Exhibit A-2) or other written or oral notice to CONTRACTOR whenever the requirements of this Contract are not being met.

5.0 CONTRACTOR'S REQUIREMENTS

- 5.1. CONTRACTOR shall provide a Project Director to manage all operations in connection with providing the services of this Contract. The CONTRACTOR's Project Director (CPD) is responsible for maintaining communication with DCFS, as needed, to address any concerns and/or potential problems in the performance of the requirements of this Contract.
 - 5.1.1 The name and phone number of the CPD and that of an alternate who is authorized to act on behalf of the CONTRACTOR in the CPD's absence shall be designated in writing under Exhibit J, Contractor's Administration. The CPD and delegated alternate are:

CPD: Cheri Flores, Director of Client Services
9348 De Soto Avenue
Chatsworth, CA 91311
Telephone: (818) 678-4422 / email: cflores@pactox.com
Facsimile: (818) 598-8488

ALT: Rocco Lanzolatta, Chief Executive Officer
9348 De Soto Avenue
Chatsworth, CA 91311
Telephone: (818) 678-4405 / email: jlanzolatta@sbcglobal.net
Facsimile: (818) 882-0259
- 5.2 The CPD and designated alternate must be able to read, write, speak and understand English.
- 5.3 CONTRACTOR shall immediately notify the CPM of any change in the CPD.
- 5.4 The CPD or designated alternate shall be available to COUNTY's authorized personnel during normal work hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except COUNTY holidays.

- 5.5 CONTRACTOR shall provide sufficient personnel, competent to perform all work in accordance with the requirements of the Contract. The CPD or other manager in the employ of the CONTRACTOR shall supervise all of the CONTRACTOR's personnel.
- 5.6 CONTRACTOR shall immediately notify COUNTY of any changes in CONTRACTOR's authorized personnel that may affect the operation of this Contract. Such personnel changes are subject to the approval of the County Program Manager or designated alternate.
- 5.7 CONTRACTOR shall not permit any employee to perform services under this Contract if the employee is physically or mentally incapacitated or is under the influence of any substance, such as alcohol, medication, and narcotic, to the extent that the employee's performance would be impaired.
- 5.8 The CPM may, at his or her sole discretion, direct the CONTRACTOR to remove from any work under this Contract, any of its personnel who the CPM determines has performed acts, which are inimical to the interest of children or which otherwise made it inappropriate for such persons to be assigned to the provision of these Contract services.

6.0 REFERRAL PROCESS

- 6.1 DCFS will initiate drug and alcohol testing by requiring its clients to report to a Collection Site to provide a urine sample. CSWs may refer a client at any time, and may request that a client be tested based on one or more of the following methods: (1) a **Random Testing Schedule**; (2) an **On-Demand** basis as specified in this Contract; or (3) **Weekly or Specialized Schedule** as ordered by the Juvenile Dependency Court. DCFS policy may change in the future, as CSWs/SCSWs may have the discretion to request weekly testing without a court order.
 - 6.1.1 Referrals will be submitted to CONTRACTOR by DCFS Children's Social Worker (CSW) and Supervising Children's Social Worker (SCSW).
 - 6.1.2 Referrals will be submitted electronically through the DCFS Drug and Alcohol Testing Referral system or by fax, as a backup method.
 - 6.1.3 CONTRACTOR shall contact the CSW to obtain clarification if and when a Referral is in question due to inaccurate information before turning the client away. In the absence of the CSW, CONTRACTOR should contact the SCSW, given that a phone number was provided on the Referral.
 - 6.1.4 CONTRACTOR shall allow clients to test at any given collection site as listed in Exhibit A-7, Proposer Form for Listing of Collection Sites. COUNTY will not have to specify a particular collection site for the client on the electronic referral.
 - 6.1.5 CONTRACTOR shall attach each Referral to a chain of custody form and electronically forward to CONTRACTOR's Collection Sites for urine sample processing.

6.1.6 If a client walks in to a Collection Site requesting to test and there is no electronic Referral nor a hard copy of the referral, CONTRACTOR shall contact the CSW to submit the electronic Referral. In the absence of the CSW, CONTRACTOR should contact the SCSW, given that a phone number was provided before turning the client away.

6.1.7 If any client arrives at the Collection Site after CONTRACTOR's collection or testing hours, the Collection Sites shall turn the client away and not collect the sample and advise the client to contact their CSW regarding a new testing referral. Otherwise, Contractor is expected to allow clients to test up to the closure of the testing hours.

6.2 Random Drug and Alcohol Testing

6.2.1 CONTRACTOR shall set up the randomized schedule for the COUNTY for clients to test twice a month.

6.3 On-Demand Testing

6.3.1 CONTRACTOR shall permit clients to test on demand if COUNTY has not yet submitted the referral electronically, but the client has a hard copy of a court order from the Juvenile Dependency Court or a hard copy of a drug testing referral. However, CONTRACTOR shall not report test results for such clients until the CSW has submitted an electronic Referral. CONTRACTOR shall contact the CSW to submit the electronic Referral. In the absence of the CSW, CONTRACTOR should contact the SCSW, given that a phone number was provided on the Referral.

6.3.2 In all cases where the Juvenile Dependency Court refers a client for testing in this manner, COUNTY must submit the electronic Referral once apprised of the information.

6.4 Weekly or Specialized Schedule

6.4.1 COUNTY will refer clients for testing under a Weekly or Specialized Schedule when ordered by the Juvenile Dependency Court. DCFS policy may change in the future, as CSWs/SCSWs may have the discretion to request weekly testing without a court order.

6.4.2 CONTRACTOR shall set up the Weekly Testing Schedule when ordered by the Juvenile Dependency Court for the client to test once a week. DCFS policy may change in the future, as CSWs/SCSWs may have the discretion to request weekly testing without a court order.

6.4.3 COUNTY will specify the Weekly or Specialized Schedule in the electronic referral form, and will include the specific Court ordered language regarding drug testing in the electronic referral form sent to the CONTRACTOR. DCFS policy may change in the future, as CSWs/SCSWs may have the discretion to request weekly testing without a court order.

6.5 Tracking and Scheduling

6.5.1 CONTRACTOR shall track all clients participating in the Drug and Alcohol Testing Program with the following information:

- a) Name of Client,
- b) Client's date of birth,
- c) DCFS Case or Referral Number (if client is associated with more than one case or Referral number, all associated case or Referral numbers must be listed),
- d) Type of Testing schedule (e.g. random, on-demand, weekly, or specialized schedule),
- e) Test Date,
- f) Test Results,
- g) Court Order? (Yes or No),
- h) DCFS Service Component Type (e.g. ER / FM / FR / PP/ VFM/ VFR/ Other),
- i) Is client Diabetic? (Yes or No),
- j) Collection Site ID,
- k) DCFS CSW's office location,
- l) DCFS CSW's name (if the client is associated with more than one CSW, all associated CSWs must be listed),
- m) DCFS CSW's file number (if client is associated with more than one file number, all associated file numbers must be listed), and
- n) Termination Date.

6.6 Secured Web-Based Referral System Requirements

6.6.1 DCFS Drug and Alcohol Testing Referral System is a web based application that collects the referral transactions submitted by COUNTY.

6.6.2 DCFS Drug and Alcohol Testing Referral System shall prepare the DCFS electronic referral encrypted transaction file and store the file at the County's ISD file server.

6.6.3 The DCFS electronic referral transaction file contains a Header Record that signifies the start of the file and a trailer record that signifies the end of file. The Trailer record contains the number of transaction records sent.

6.7 DCFS System Requirements

6.7.1 CONTRACTOR shall provide and maintain an automated tracking system at no additional cost to the COUNTY that will store and organize all of the information regarding drug and alcohol tests, referrals, and results.

6.7.2 CONTRACTOR shall be able to receive and process the DCFS electronic referral encrypted transaction file every fifteen minutes through Secured File Transfer Protocol (SFTP) on each business day.

6.7.3 CONTRACTOR shall provide each Collection Site a secured logon and access to the CONTRACTOR's automated tracking system in order to obtain the referral information electronically. Collection Sites shall have access to

the secured and automated tracking system during their business hours, Monday through Sunday, as applicable.

- 6.7.4 CONTRACTOR shall receive the encrypted transaction file from the COUNTY'S ISD file server via SFTP.
- 6.7.5 CONTRACTOR shall be able to decrypt the DCFS electronic referral encrypted transaction file using one of the following methods:
 - a) SFTP encryption/decryption
 - b) Secure Shell (SSH2) Public Key
 - c) Pretty Good Privacy (PGP) Open/(PGP) Key
- 6.7.6 CONTRACTOR shall verify the number of transaction records in the DCFS electronic referral transaction file using the Trailer Record count.
- 6.7.7 CONTRACTOR shall send DCFS a rejection File Message via email if the number of transaction records in the DCFS electronic referral transaction file does not match the Trailer Record Count.
- 6.7.8 CONTRACTOR shall send DCFS an acceptance File Message via email if the number of transaction records in the DCFS electronic referral transaction file matches the Trailer Record Count.
- 6.7.9 CONTRACTOR shall ensure that all clients in the referral transaction file are successfully enrolled for testing based on the schedule (e.g. random, on-demand, specialized schedule) noted on the referral.
- 6.8 CONTRACTOR is responsible for maintaining the confidentiality of DCFS client information, in accordance with the Urine Sample Collection for Drug and Alcohol Testing Services Contract Part I, Section 8.0, Confidentiality, of the Contract.

7.0 COLLECTION SITES

- 7.1 CONTRACTOR shall provide Monday through Friday, a minimum of 21 Collection Sites dispersed throughout the eight Service Planning Areas (SPAs) in the County of Los Angeles as indicated in Exhibit A-4, Listing of 21 Designated Zip-Code Areas for Collection Sites - Monday through Friday.
 - 7.1.1 Included within the minimum number of 21 Collection Sites, CONTRACTOR shall establish, maintain, and operate Monday through Friday, a collection site in Avalon, Catalina Island, as indicated in Exhibit A-4, Listing of 21 Designated Zip-Code Areas for Collection Sites - Monday through Friday.
- 7.2 CONTRACTOR shall provide on Saturday or Sunday, a minimum of eight Collection Sites, one Collection Site in each SPA in the County of Los Angeles as indicated in Exhibit A-5, Listing of Eight Designated Zip-Code Areas for Collection Sites - Saturday or Sunday.
 - 7.2.1 CONTRACTOR's Weekend Collection Sites may be the same as the Monday through Friday Collection Sites which are included within the minimum number of 21 Collection Sites as stated in Section 7.1 above.

- 7.3 CONTRACTOR shall provide a minimum of one Collection Site per each designated single zip-code and each zip-code group for a minimum total of 21 Collection Sites, as indicated in Exhibit A-4. Listing of 21 Designated Zip-Code Areas for Collection Sites - Monday through Friday. The single zip-codes and zip-code groups are aligned with DCFS Regional Offices as listed in Exhibit A-6, Listing of Los Angeles County DCFS Regional Offices by SPA.
- 7.4 CONTRACTOR shall make every effort to provide notice to CPM two weeks in advance of any change in Collection Site location. Changes in Collection Sites are subject to the approval of the CPM.
- 7.5 CONTRACTOR shall notify the CPM in writing, within eight hours of determining that the CONTRACTOR is unable to maintain a Collection Site in a designated single zip-code or zip-code group, along with a plan to locate a new Collection Site.
- 7.5.1 If the CONTRACTOR is unable to locate a Collection Site within a designated single zip-code or zip-code group within 30 days of the first notification to the CPM that CONTRACTOR is seeking a new Collection Site, CONTRACTOR shall notify the CPM, in writing, of all efforts made to locate a Collection Site within the designated single zip-code or zip-code group. If agreed by the CPM, CONTRACTOR may locate a Collection Site outside of a designated single zip-code or zip-code group. The CPM must approve any Collection Site located outside of a designated single zip-code or zip-code group.
- 7.6 The CONTRACTOR'S services as described hereunder shall be provided at collection site(s) as listed on Exhibit A-7, Proposer Form for Listing of Collection Sites.
- 7.6.1 The Contractor shall submit a new Listing of Collection Sites, Exhibit A-7, Proposer Form for Listing of Collection Sites, to the CPM upon approval when adding/deleting a collection site.
- 7.6.2 CONTRACTOR shall ensure that all Collection Sites remain clean at all times of operation. CONTRACTOR shall make unannounced visits to every individual Collection Site once every quarter to ensure the cleanliness and appropriateness of the Collection Site.
- 7.7 CONTRACTOR may utilize additional Collection Sites above the minimum number of 21 Collection Sites identified in this Section 7.0 above to comply with Section 8.0, Hours of Operation (Please see Section 8.3 below).

8.0 HOURS OF OPERATION

- 8.1 CONTRACTOR shall provide Collection Sites and ensure that Urine Sample Collection for Drug and Alcohol Testing Services within each of the following eight SPAs are available to COUNTY clients between the hours of 7:00 AM to 7:00 PM, Monday through Friday; and between the hours of 9:00 AM to 1:00 PM, on Saturday or Sunday, as listed herein:

- SPA 1: Monday-Friday, 7:00 AM to 7:00 PM
Saturday or Sunday, 9:00 AM to 1:00 PM
- SPA 2: Monday-Friday, 7:00 AM to 7:00 PM
Saturday or Sunday, 9:00 AM to 1:00 PM
- SPA 3: Monday-Friday, 7:00 AM to 7:00 PM
Saturday or Sunday, 9:00 AM to 1:00 PM
- SPA 4: Monday-Friday, 7:00 AM to 7:00 PM
Saturday or Sunday, 9:00 AM to 1:00 PM
- SPA 5: Monday-Friday, 7:00 AM to 7:00 PM
Saturday or Sunday, 9:00 AM to 1:00 PM
- SPA 6: Monday-Friday, 7:00 AM to 7:00 PM
Saturday or Sunday, 9:00 AM to 1:00 PM
- SPA 7: Monday-Friday, 7:00 AM to 7:00 PM
Saturday or Sunday, 9:00 AM to 1:00 PM
- SPA 8: Monday-Friday, 7:00 AM to 7:00 PM (except in Avalon, Catalina Island)
Saturday or Sunday, 9:00 AM to 1:00 PM

- 8.2 Urine Sample Collection for Drug and Alcohol Testing Services in Avalon, Catalina Island, shall be available between the hours of 8:00 AM to 5:00 PM, Monday through Friday, with the exception of a lunch period. Weekend hours are not required in Avalon, Catalina Island. (Please see Exhibit A-4 and A-5, SPA 8, Zip-Code 90704).
- 8.3 CONTRACTOR may utilize additional Collection Sites above the minimum number of 21 Collection Sites identified in Section 7.0 above to comply with this Section 8.0, Hours of Operation. The required weekday hours of operation from 7:00 AM to 7:00 PM may be provided using multiple sites in a designated single zip-code or zip-code group. For example, a collection site within a designated single zip-code or zip-code group may be open from 7:00 AM to 1:00 PM; and a second collection site within the same single zip-code or zip-code group may be open from 1:00 PM to 7:00 PM, to comply with the 12-hour, Hours of Operation requirement.
- 8.4 CONTRACTOR shall make every effort to provide notice to CPM two weeks in advance of any unanticipated changes in hours of operation. Such changes in hours of operation are subject to the approval of the CPM.
- 8.5 Additional hours or days may be provided by CONTRACTOR at no additional cost to COUNTY. During the contract period, COUNTY and CONTRACTOR may jointly discuss and through mutual agreement, increase and/or decrease the number of Collection Sites and the hours of operation based on changing needs of the COUNTY.

9.0 COLLECTION PROCESS

- 9.1 CONTRACTOR shall ensure that all Collection Sites perform urine specimen collection witnessed by a person of the same sex as the client giving the specimen, and that the site begins and maintains a verifiable and reliable chain of custody.
- 9.2 CONTRACTOR shall ensure that all Collection Sites have electronic access to a secure web based system in order to receive ongoing electronic referrals from the CONTRACTOR for clients who are scheduled for drug and/or alcohol test.
- 9.3 Thereafter, throughout the day, and within 10 minutes of receipt of referrals, CONTRACTOR shall send through a secured and electronic delivery method to each Collection Site, authorization to collect a sample from On-Demand clients.
- 9.4 CONTRACTOR shall ensure that COUNTY clients who provide urine specimens at the Collection Sites do so only with prior written authorization for testing by DCFS or in accordance with the COUNTY On Demand, Random, Weekly, or Specialized Testing schedule. Refer to Section 14.0, Toll Free Number for DCFS Clients for Random and Weekly testing.
- 9.5 CONTRACTOR shall request DCFS clients to produce a valid photo identification document (e.g., Driver's license, passport, employer identification card, etc.) and verify that the client is the person whom he or she claims to be.
 - 9.5.1 DCFS clients who do not possess a valid photo identification document will be provided with a document with his/her photograph on a DCFS letterhead by COUNTY (Note: The client's photo must be of a quality that clearly identifies the client), with the following information: Name of Client, Date of Birth, and Case Number, CSW and SCSW names and phone numbers and at least one of their signatures, and the following language: "This serves as a means to allow the client named herein to participate in the DCFS Drug and Alcohol Testing Program Only."
 - 9.5.2 CPM may notify CONTRACTOR of alternative identification methods that will be used to identify clients for drug and/or alcohol testing purposes.
- 9.6 CONTRACTOR shall give each client, who has provided a urine specimen a receipt indicating the date and time of the sample collection.
- 9.7 CONTRACTOR shall provide written documentation to a client who appears for testing during testing hours of operation and is unable to test. Documentation shall include reasons for the client's inability to test.
- 9.8 DCFS may withhold payment to CONTRACTOR for any costs incurred for urine specimen collection not performed in accordance with the DCFS Random Drug and Alcohol Testing Program or without prior written or verbal authorization by COUNTY for On-Demand or Specialized testing.

9.9 CONTRACTOR shall certify and report the results of individual urine tests within one business day for negative results and "no shows" and within three business days for positive tests, following the sample collection.

9.9.1 CONTRACTOR may hold test results beyond the identified timeframes if, in accordance with this Contract, a client was permitted to test and the CONTRACTOR has not received the appropriate and complete documentation from the COUNTY in order to release the test results within the designated timeframe. (e.g., The COUNTY has not provided an on-demand referral form with the signature/approval of a SCSW.) CONTRACTOR should contact the CSW to obtain the completed documentation from the COUNTY. In the absence of the CSW, CONTRACTOR should contact the SCSW. In the absence of the SCSW, CONTRACTOR should contact the CPM.

10.0 SPECIMEN SCREENING, ANALYSIS, AND CERTIFICATION

10.1 CONTRACTOR shall perform an initial screening and test all urine specimens submitted for alcohol and/or drug testing to detect positive or negative screening results for the Five Panel Drug Test.

10.1.1 CONTRACTOR shall, to the extent possible, ensure that the specimens collected by the individual collection sites be delivered to the laboratory for screening each day they are collected and should not delay the results as listed in Section 16.1.2.

10.2 All urine specimens initially screened as negative for the substances noted shall be reported as negative. All urine specimens, which are positive in the initial screen, shall be subjected to further confirmation of positive results.

10.3 CONTRACTOR shall perform confirmation of all urine specimens submitted for drug testing which yield positive results in the initial screening process to substantially determine the validity of positive screen results. The confirmation shall be conducted by utilizing either Liquid Chromatography Tandem Mass Spectrometry (LC-MS/MS) or Gas Chromatography Mass Spectrometry (GCMS).

10.3.1 All urine drug tests that yield positive for Amphetamines should be conducted by utilizing the D/L Isomer test.

10.4 When requests for outside retests of specimens are made by the Juvenile Dependency Court, the CONTRACTOR shall send the specimen to the designated outside laboratory at no charge to DCFS. The requestor shall make all necessary arrangements with the outside laboratory performing the retest.

10.5 All drug analyses shall be conducted by a laboratory certified by the Substance Abuse and Mental Health Services Administration (SAMHSA) or accredited by the College of American Pathologists Forensic Urine Drug Testing (CAP/FUDT). CONTRACTOR shall provide proof of the certification. The Department may require a selected vendor that is CAP/FUDT accredited to provide annual documentation showing accreditation for each analyte tested at no additional cost to the County.

The Department shall utilize its discretion to determine the appropriate annual documentation for submission by the vendor.

11.0 ALCOHOL ANALYSIS AND CERTIFICATION

- 11.1 CONTRACTOR shall analyze urine specimens collected for alcohol testing for clients testing specifically for alcohol, or for alcohol tests specified in conjunction with drug tests.
- 11.2 All samples that screen positive for alcohol will automatically be tested for urine glucose (at no additional charge to the COUNTY) to identify the possibility of fermentation due to diabetic conditions of the client.
- 11.3 If CONTRACTOR identifies the client's urine specimen as glucose positive and they have not been identified as diabetic by COUNTY, the CONTRACTOR shall notify the COUNTY, within one business day from the end of the day in which the glucose positive was identified. The glucose results should also be identified in the DCFS final drug and/or alcohol test result report.
- 11.4 All alcohol analyses shall be conducted by a laboratory certified by the Substance Abuse and Mental Health Services Administration (SAMHSA); or accredited by the College of American Pathologists Forensic Urine Drug Testing (CAP/FUDT); or some other certification of equal or greater technical rigor. CONTRACTOR shall provide proof of the certification.

12.0 CHAIN OF CUSTODY

- 12.1 CONTRACTOR shall maintain a continuous chain of custody for all urine specimens collected for drug and/or alcohol testing utilizing their Chain of Custody Form and according to standard industry practice. CONTRACTOR shall account for the integrity of each specimen by tracking its handling from the point of collection to its final disposition.
- 12.2 All urine specimens, which are collected and test negative shall be maintained in storage, at CONTRACTOR's expense, for a period of not less than seven days from the date the specimen was collected.
- 12.3 All urine specimens, which are collected and test positive shall be maintained in storage, at CONTRACTOR's expense, for a period of not less than one year from the date the specimen was collected.
- 12.4 CONTRACTOR shall maintain records verifying that Collection Site staff have read and acknowledged policy and procedures and the chain of custody protocol.

13.0 WARM LINE

- 13.1 CONTRACTOR shall establish and maintain a "warm line" defined as a designated toll free telephone line for DCFS CSWs, the Juvenile Dependency Court, and other designated COUNTY personnel to provide information and consultation on test results and the COUNTY's procedures/process related to Drug and Alcohol Testing. CONTRACTOR shall respond to inquiries through the phone line Monday through Friday, during the hours of 8:00 a.m. to 5:00 p.m.
- 13.2 This line shall not ring busy, shall be picked up by the fourth ring and shall be answered by the CONTRACTOR.

14.0 TOLL FREE NUMBER FOR DCFS CLIENTS FOR RANDOM AND WEEKLY TESTING

- 14.1 CONTRACTOR shall administer and operate the COUNTY'S toll free '800' Client Hotline Service line with two options; one for the COUNTY Random Drug and Alcohol Testing Program and the other for the COUNTY Weekly Testing Schedule. COUNTY shall provide and bear cost of maintaining the telephone line.
- 14.2 The recorded message shall be in both English and Spanish under both the Random Testing option and the Weekly Testing option and shall indicate the first letter of the last name of those individuals who must report for random or weekly testing, along with the day and date on which the specimens will be collected.
- 14.3 For the random testing, each letter of the alphabet shall be announced on the recorded message one time during a ten-day workday schedule cycle (a maximum of two tests per month). There shall be no deviation from this testing frequency unless previously approved by the COUNTY's Program Manager.
- 14.4 For the weekly testing, each letter of the alphabet shall be announced on the recorded message once a week during a five day workday schedule cycle (a maximum of one test per week). There shall be no deviation from this testing frequency unless previously approved by the COUNTY's Program Manager.
- 14.5 CONTRACTOR shall change the recorded message for both the Random and Weekly Testing options the following day, Sundays through Thursdays between 6:00 PM and 6:30 PM.
- 14.6 CONTRACTOR shall operate the toll free '800' hotline service line with the Random and Weekly testing options, in the manner described above unless the County's Program Manager approves an alternate method.

15.0 RECORD KEEPING

- 15.1 CONTRACTOR shall maintain all records including, but not limited to, dates, test results for each client served, recordings of the chain of custody for each urine specimen collected and other information pertaining to urine specimen collection and urinalysis testing for drugs and alcohol as requested by DCFS for a period of one year after the expiration of this Contract. CONTRACTOR shall maintain such

records using appropriate drug testing forms and according to standard industry practice.

16.0 TEST RESULTS, REPORTS AND INVOICE

16.1 Test Results

16.1.1 CONTRACTOR shall provide and maintain a web based drug test results system that includes alcohol and/or drug test analysis and allows DCFS staff who submit an alcohol and/or drug test referral the ability to have web based access to obtain results. The web based drug test results system shall allow DCFS staff to view and print results for that day, as well as any prior test date results needed for a client participating in the testing program that is part of their caseload. The results should include, but are not limited to the following information:

- a) The client's name,
- b) Client's date of birth or age,
- c) DCFS Case or Referral Number (if client is associated with more than one case or Referral number, all associated case or Referral numbers must be listed),
- d) Name(s) of minor in the case,
- e) DCFS CSW's office location,
- f) DCFS CSW's name (if the client is associated with more than one CSW, all associated CSWs must be listed),
- g) DCFS CSW's file number (if client is associated with more than one file number, all associated file numbers must be listed),
- h) Date of report,
- i) Dates of sample collection, initial testing, preliminary report of positive or negative test confirmation, and if applicable, final report of sample that had a preliminary positive report,
- j) A listing of the drug test performed, and corresponding results for each drug test with cutoff levels, and
- k) In case of a missed test, the date of the missed test.

16.1.2 Drug and alcohol testing results should be available through the web based drug test results system according to the following schedule:

16.1.2.1 Negative testing results shall be available within one business day from the end of the day the client provided a urine specimen.

16.1.2.2 Positive alcohol and/or drug testing results shall be available within three business days from the end of the day the client provided a urine specimen.

16.1.2.3 Missed test (No-Show) reports shall be available within one business day from the end of the day that the client was to provide a urine specimen.

- 16.1.2.4 CONTRACTOR shall be able to send electronic test results in an encrypted transaction file two times daily (6:00 AM morning and 3:00 PM evening) through a Secured File Transfer Protocol (SFTP) on each business day.
- 16.1.2.5 CONTRACTOR shall send the encrypted transaction file to the COUNTY'S ISD file server via SFTP.
- 16.1.2.6 CONTRACTOR shall be able to encrypt the electronic test results in an encrypted transactions file using one of the following methods:
 - 16.1.2.6.1 SFTP encryption/decryption
 - 16.1.2.6.2 Secure Shell (SSH2) Public Key
 - 16.1.2.6.3 Pretty Good Privacy (PGP) Open/(PGP) Key
- 16.1.2.7 Once DCFS verifies the number of transaction records in the CONTRACTOR's electronic test results transaction file using the Trailer Record Count, then the Contractor is to proceed as follows:
 - 16.1.2.7.1 CONTRACTOR shall receive a rejection File Message via email from DCFS if the number of transaction records in the CONTRACTOR's electronic test results transaction file does not match the Trailer Record Count.
 - 16.1.2.7.2 CONTRACTOR shall receive a DCFS acceptance File Message via email if the number of transaction records in the electronic test results transaction file matches the Trailer Record Count.
 - 16.1.2.7.3 Contractor shall ensure that DCFS will receive a test result for all clients in the referral transaction file who are successfully enrolled for testing no later than 72 hours from the time the client provided a urine specimen.
 - 16.1.2.7.4 The records in the encrypted test results transaction file will contain the following:
 - 16.1.2.7.4.1 DCFS Sequence Number.
 - 16.1.2.7.4.2 Results for each substance tested.
 - 16.1.2.7.4.3 Testing Date.
 - 16.1.2.7.4.4 Testing Site.
 - 16.1.2.7.4.5 Specimen ID.
 - 16.1.2.7.4.6 Indicator if it is a "No show."
 - 16.1.2.7.4.7 Indicator if specimen is contaminated.

16.1.2.8 CONTRACTOR is responsible for maintaining the confidentiality of DCFS client information, in accordance with the Urine Sample Collection for Drug and Alcohol Testing Services Contract Part I, Section 8.0, Confidentiality, of the Contract.

16.1.3 When the specimen provided by the client is tested for both drugs and alcohol, the drug test results and alcohol test results need to be available simultaneously and as a combined notification through the web based drug test results system within the timeframes established for each as stated in this Contract.

16.1.4 CONTRACTOR shall provide test results and no-show reports via the secured web-based drug test result system. CONTRACTOR agrees to make reasonable best efforts to cooperate in the maintenance of the internet-based system.

16.1.5 As a temporary measure for the delivery of test results, CONTRACTOR may deliver test results by courier at CONTRACTOR's expense if and when the secured web-based system is unavailable.

16.2 Monthly Statistical Reports

16.2.1 On a monthly basis, by the 6th calendar day, CONTRACTOR shall submit a hard-copy of the statistical report to the CPM containing the following information:

- Number of actual tests performed
 - On-Demand Participants that includes the DCFS service component
 - Random Program Participants that includes the DCFS service component
 - Weekly Schedule Participants that includes the DCFS service component
- Number of actual tests performed
 - Drug & Alcohol Tests
 - Alcohol Only Tests
- Percentage of Participants testing positive for drugs and alcohol
- Number of actual tests performed for each DCFS regional office during the prior month
 - On-Demand Participants
 - Random Program Participants
 - Schedule Participants
- Number of open Referrals on file from each DCFS SPA Office as of the prior month end
 - Random Program Participants
 - Weekly Schedule Participants
- List denoting the date and letters which were selected for Random Testing for each invoiced period

- 16.2.2 The monthly statistical report shall be submitted with each monthly CONTRACTOR invoice and shall be required before CPM grants approval of CONTRACTOR invoice.

16.3 Monthly Invoice

- 16.3.1 On a monthly basis, CONTRACTOR shall submit a hard-copy of the invoice as referenced by Exhibit A-8 (Sample of Vendor Invoice) to the CPM and DCFS Finance Division. CONTRACTOR shall format the invoice in a manner as determined by the COUNTY and the CPM.
- 16.3.2 CPM shall review CONTRACTOR'S invoice within 30 days of receipt of invoice and notify CONTRACTOR of any discrepancies noted on the invoice in writing. CONTRACTOR shall be provided one business week to provide any additional documentation to address the discrepancies.
- 16.3.3 CPM shall provide CONTRACTOR with a final written report listing any deductions to be eliminated from the invoice, including the name of the client, the date the client was tested, the amount to be deducted and the reason for the deduction.
- 16.3.4 CPM shall coordinate with the DCFS Finance Section regarding the approval of the CONTRACTOR'S invoice. CPM shall provide a letter/memo indicating the approval of the invoice, including the amount to be paid, and attach the final written report listing any deductions to be removed.

16.4 Ad-Hoc Reports

- 16.4.1 CONTRACTOR shall submit ad-hoc reports as requested by the CPM (e.g., names, office locations, and positive alcohol and drug testing results, etc.).

17.0 QUALITY CONTROL PLAN

- 17.1 CONTRACTOR shall provide a comprehensive quality control plan to be utilized by the CONTRACTOR to ensure the required services are provided as specified. CONTRACTOR's quality control plan shall define all deliverable services specified in this Exhibit A, Statement of Work, and state how these deliverables will be supplied.
- 17.2 The quality control plan shall demonstrate how the objectives for the contracted activities/services will be met, and must assure that the quality of the service will meet or exceed COUNTY requirements regarding timeliness, accuracy, effectiveness, and completeness. The quality control plan shall explain how policies and procedures will be disseminated, implemented and utilized by CONTRACTOR staff.
- 17.3 CONTRACTOR's quality control plan shall also establish a continuous quality improvement process plan to periodically review and assure all requirements of the contract are met or exceeded. The plan shall include an identified monitoring

system covering all the services listed in this Exhibit A, Statement of Work, and methods for identifying and preventing deficiencies in the quality of services. Specifically, the following factors must be included in the Quality Control Plan:

- a) Activities to be monitored to ensure compliance with all Statement of Work requirements,
- b) Monitoring methods to be used,
- c) Frequency of monitoring,
- d) Samples of forms to be used in monitoring,
- e) Title/level and qualifications of personnel performing monitoring functions, and
- f) File of all monitoring results, including any corrective action taken.

18.0 PROCESS COORDINATION

- 18.1 CONTRACTOR shall assist the COUNTY, as requested, with the improvement of the DCFS Drug and Alcohol Testing Program.
- 18.2 CONTRACTOR shall assist the COUNTY in conducting drug and alcohol testing presentations to DCFS and Court personnel as a measure to improve the use of the DCFS Drug and Alcohol Testing Program.
- 18.3 CONTRACTOR shall assist in transitioning a new drug testing vendor, if applicable, for a period that could last up to 60 days after the Contract's termination date.